A legacy of consistency... Crusading a global vision

एनटीसी
NTC

50 वां वार्षिक प्रतिवेदन
50th Annual Report
2017-18

Contents

BOARD OF DIRECTORS

Chairman & Managing Director	—	i)	**Shri Sanjay Rastogi** (w.e.f 19.06.2018)
		ii)	**Shri Sanjay Sharan** (from 11.06.2018 to 18.06.2018)
		iii)	**Shri Sarvepalli Srinivas** (from 18.12.2017 to 31.05.2018)
		iv)	**Shri P. C. Vaish** (Till 18.12.2017)
Directors	—	i)	**Dr. Subhash Chandra Pandey** SS & FA, Ministry of Textiles (w.e.f. 22.01.2018)
		ii)	**Shri J.K. Dadoo** AS & FA, Ministry of Textiles (Till 22.01.2018)
		iii)	**Smt. Aditi Das Rout** Trade Advisor, Ministry of Textiles (w.e.f. 19.06.2018)
		iv)	**Shri Sanjay Sharan** Joint Secretary, Ministry of Textiles (from 01.05.2018 to 11.06.2018)
		v)	**Shri A. Madhukumar Reddy** Joint Secretary, Ministry of Textiles (Till 01.05.2018)
		vi)	**Shri Anil B. Joshi** Independent Director
		vii)	**Smt. Anita Agarwal** Independent Director
		viii)	**Shri Devendra Daga** Independent Director
		ix)	**Shri R.K. Sinha** Director (HR)
		x)	**Shri Alokendra Banerjee** Director (Marketing) (Till 04.05.2017)
		xi)	**Dr. Anil Gupta** Director (Finance)
Company Secretary	—		**Shri Pankaj Agarwal**

Board of Directors

Dr. Subhash Chandra Pandey
SS & FA, Ministry of Textiles

Shri Sanjay Rastogi
Chairman & Managing Director

Shri J. K. Dadoo
AS & FA, Ministry of Textiles

Smt. Aditi Das Rout
Trade Advisor, Ministry of Textiles

Shri Sanjay Sharan
Joint Secretary, Ministry of Textiles

Shri A. Madhukumar Reddy
Joint Secretary, Ministry of Textiles

Shri Anil Joshi
Independent Director

Ms. Anita Agarwal
Independent Director

Shri Devendra Daga
Independent Director

Shri R. K. Sinha
Director (Human Resource)

Shri Alokendra Banerjee
Director (Mktg)

Dr. Anil Gupta
Director (Finance)

REGISTERED OFFICE

Core-IV, SCOPE Complex,
7, Lodhi Road
New Delhi - 110 003

AUDITORS

Statutory Auditors

M/s Tiwari & Associates,
Chartered Accountants,
T-8, Green Park Extension,
New Delhi – 110 016.

Lead Cost Auditors

M/s Krishnan R,
BA, MBA, ACMA,
"KAILAS", D-2 T N H U,
Punma Kodi Street, R.S. Puram,
Coimbatore – 641002.

Secretarial Auditors

M/s Nityanand Singh & Co,
Company Secretaries,
14, Second Floor, Arjun Nagar,
Safdarjung Enclave,
New Delhi – 110 029.

BANKERS

i) State Bank of Hyderabad
ii) Corporation Bank
iii) Punjab National Bank
iv) State Bank of India
v) Vijaya Bank
vi) Bank of Baroda
vii) Indian Bank
viii) Oriental Bank of Commerce
ix) Syndicate Bank
x) State Bank of Travancore
xi) Canara Bank
xii) UCO Bank
xiii) Central Bank of India
xiv) Indian Overseas Bank
xv) HDFC Bank Limited
xvi) ICICI Bank Limited
xvii) Bank of India
xviii) Allahabad Bank
xix) Dena Bank
xx) United Bank of India

Signing of Memorandum of Understanding for year 2018-19 between NTC Ltd & Ministry of Textiles by **Shri Anant Kumar Singh,** IAS, Secretary (Textiles) MoT, GOI and **Shri Sanjay Rastogi,** IAS, CMD, NTC Ltd.

Observance of Vigilance Awareness Week from 29th Oct, 2018 to 3rd November, 2018

REGIONAL OFFICES

	NAME	ADDRESS
1.	Western Regional Office	NTC House, 15, Narottam Morarjee Marg, Ballard Estate, **Mumbai-400 001**
2.	Southern Regional Office	NTC House, P.O. Box No. 2409, 35-B, Somasundram Mills Road, **Coimbatore-641 009**

SUB OFFICES

1.	NATIONAL TEXTILE CORPORATION Ltd. AHMEDABAD	1791, Ashram Road, Ahmedabad-380009
2.	NATIONAL TEXTILE CORPORATION Ltd. NEW DELHI	Core-IV, SCOPE Complex, 7, Lodhi Road New Delhi-110 003
3.	NATIONAL TEXTILE CORPORATION Ltd. INDORE	41, Jangampura, Malganj Square, Jawahar Marg, Indore-452002
4.	NATIONAL TEXTILE CORPORATION Ltd. KANPUR	14/82, “Sylverton” Civil Lines, Kanpur-208001
5.	NATIONAL TEXTILE CORPORATION Ltd. KOLKATA	7, Jawahar Lal Nehru Road (1st Floor) Kolkata-700013

NTC MILLS IN OPERATION - AT A GLANCE

S. No.	Name of Mills	Location	State	Status
	NTC – Western Regional Office	**Mumbai**	**Maharastra**	
1	Barshi Textile Mills	Barshi	Maharastra	Modernized
2	India United Mills No 5	Mumbai	Maharastra	Modernized
3	Podar Mills	Mumbai	Maharastra	Modernized
4	Tata Mills	Mumbai	Maharastra	Modernized
5	Finlay Mill	Achalpur	Maharastra	New Unit
	NTC – Southern Regional Office	**Coimbatore**	**Tamilnadu**	
6	Coimbatore Murgan Mills	Coimbatore	Tamilnadu	Modernized
7	Combodia Mills	Coimbatore	Tamilnadu	Modernized
8	Pankaja Mills	Coimbatore	Tamilnadu	Modernized
9	Sri Rangavilas Gng.Spg.&Wvg. Mill	Coimbatore	Tamilnadu	Modernized
10	Kaleeswarar Mills "B" Unit	Kalayarkoil	Tamilnadu	Modernized
11	Pioneer Spinners	Kamudakudi	Tamilnadu	Modernized
12	Coimbatore Spg. & Wvg. Mills	Coimbatore	Tamilnadu	To be Modernized
13	Tirupathi Cotton Mills	Renigunta	Andhra Pradesh	To be Modernized
14	Alagappa Textile Mills	Alagappanagar	Kerala	Modernized
15	Cannanore Spg. & Wvg. Mills	Cannanore	Kerala	Modernized
16	Kerala Laxmi Mills	Trichur	Kerala	Modernized
17	Vijaymohini Mills	Thiruvanthapuram	Kerala	Modernized
18	Cannanore Spg. & Wvg. Mills	Mahe	Pondicherry	Modernized
19	New Minerva Mills	Hassan	Karnataka	New Unit
	NTC - Madhya Pradesh	**Indore**	**Madhya Pradesh**	
20	New Bhopal Textile Mills	Bhopal	Madhya Pradesh	Modernized
21	Burhanpur Tapti Mills	Burhanpur	Madhya Pradesh	Modernized
	NTC – Gujarat	**Ahmedabad**	**Gujarat**	
22	Rajnagar Textiles Mills No.I	Ahmedabad	Gujarat	New Unit
	NTC - WBAB&O	**Kolkata**	**West Bengal**	
23	Arati Cotton Mills	Dasnagar	West Bengal	Modernized

MILLS OPERATIONAL UNDER JOINT VENTURES

S.No	Name of JV Company	Location	State
	NTC – Western Regional Office	**Mumbai**	**Maharastra**
1	Apollo Textile Mills	Mumbai	Maharastra
2	Gold Mohur Mills	Mumbai	Maharastra
3	New City of Bombay Mfg. Mills	Mumbai	Maharastra
4	Aurangabad Textile Mills	Aurangabad	Maharastra
5	India United Mills No 1	Mumbai	Maharastra

MILLS UNDER ARBITRATION

S.No	Name of Mill	Location	State
	NTC – Western Regional Office	**Mumbai**	**Maharastra**
1	Chalisgaon Textile Mills	Chalisgaon	Maharastra
2	Dhule Textile Mills	Dhule	Maharastra
3	Nanded Textile Mills	Nanded	Maharastra
4	Savatram Ramprasad Mills	Akola	Maharastra
5	RBBA Spg. & Wvg. Mills	Hinganghat	Maharastra
	NTC – Southern Regional Office	**Coimbatore**	**Tamilnadu**
6	Sri Sarada Mills	Coimbatore	Tamilnadu
7	Parvathi Mills	Quilon	Kerala
	NTC – Uttar Pradesh	**Kanpur**	**Uttar Pradesh**
8	Swadeshi Cotton Mills	Maunath Bhanjan	Uttar Pradesh
	NTC - WBAB&O	**Kolkata**	**West Bengal**
9	Orissa Cotton Mills	Bhagalpur	Orissa
10	Luxmi Narayan Cotton Mills	Rishra	West Bengal
11	Sodepur Cotton Mills	Sodepore	West Bengal

CLOSED MILLS OF NTC– AT A GLANCE

S. No.	Name of Mills	Location	State	Date of closure/Status
	NTC - Western Regional Office	**Mumbai**	**Maharashtra**	
1	Kohinoor Mills No. 2	Mumbai	Maharashtra	01.06.2002
2	Kohinoor Mills No. 3	Mumbai	Maharashtra	01.06.2002
3	India United Mills No.4	Mumbai	Maharashtra	31.10.2002
4	India United Mills No. 2}	Mumbai	Maharashtra	31.03.2004
5	India United Mills No. 3}	Mumbai	Maharashtra	31.03.2004
6	Jam Mfg. Mills	Mumbai	Maharashtra	31.03.2004
7	Shri Sitaram Mills	Mumbai	Maharashtra	31.03.2004
8	Bharat Textile Mills	Mumbai	Maharashtra	01.04.2004
9	Digv Ijay Textile Mills.	Mumbai	Maharashtra	01.04.2004
10	Elphinstone Spg & Wvg Mills	Mumbai	Maharashtra	01.04.2004
11	Jupiter Textile Mills	Mumbai	Maharashtra	01.04.2004
12	Mumbai Textile Mills	Mumbai	Maharashtra	01.04.2004
13	New Hind Textile Mills	Mumbai	Maharashtra	01.04.2004
14	Podar Processors	Mumbai	Maharashtra	01.04.2004
15	Shree Madhusudan Mills	Mumbai	Maharashtra	01.04.2004
16	Model Mills	Nagpur	Maharashtra	05.06.2004
17	R.S.R.G. Mills, Akola	Mumbai	Maharashtra	05.06.2004
18	Vidharbha Mills	Achalpur	Maharashtra	05.06.2004
19	Kohinoor Mills No. 1	Mumbai	Maharashtra	27.12.2006
20	India United Mills No.6	Mumbai	Maharashtra	24.01.2007
21	Finlay Mills	Mumbai	Maharashtra	October,2009
	NTC - Southern Regional Office	**Coimbatore**	**Tamilnadu**	
22	Mysore Mills (Merged With Minerva)	Bangalore	Karnataka	---
23	Adoni Cotton Mills	Adoni	Andhra Pradesh	06.05.2002
24	Natraj Spinning Mills	Adilabad	Andhra Pradesh	06.05.2002
25	Netha Spinning & Weaving Mills	Secunderabad	Andhra Pradesh	06.05.2002
26	M.S.K. Mills	Gulbarga	Karnataka	06.05.2002
27	Kishnaveni Textile Mills	Coimbatore	Tamil Nadu	31.05.2002
28	Om Parasakthi Mills	Coimbatore	Tamil Nadu	31.05.2002
29	Kaleeswarar Mills 'A' Unit	Coimbatore	Tamil Nadu	21.07.2002
30	Azam Jahi Mills	Warangal	Andhra Pradesh	31.10.2002
31	Somasundaram Mills	Coimbatore	Tamil Nadu	31.10.2002
32	Balaramvarma Textile Mills	Shencottah	Tamil Nadu	06.01.2003
33	Ananthapur Cotton Mills		Andhra Pradesh	Feb., 2009
34	Sree Yallamma Cotton Mills.	Davangere	Karnataka	Feb., 2009
35	Minerva Mills, Bangalore	Bangalore	Karnataka	March, 2011

S. No.	Name of Mills	Location	State	Date of closure/Status
	NTC - Delhi, Punjab & Rajasthan	**New Delhi**	**Delhi**	
36	Edward Mills	Beawar	Rajasthan	06.05.2002
37	Dayalbagh Weaving & Spinning Mills	Amritsar	Punjab	01.09.2003
38	Panipat Woollen Mills	Kharar	Punjab	15.05.2004
39	Shree Bijay Cotton Mills	Bijaynagar	Rajasthan	Feb.,2009
40	Kharar Textile Mills	Kharar	Punjab	Feb.,2009
41	Suraj Textile Mills	Malout	Punjab	Feb.,2009
	NTC -Madhya Pradesh & Chattisgarh	**Indore**	**Madhya Pradesh**	
42	Kalyanmal Mills	Indore	Madhya Pradesh	31.05.2002
43	Swadeshi Textile Mills	Indore	Madhya Pradesh	31.05.2002
44	Hira Mills	Ujjain	Madhya Pradesh	31.10.2002
45	Bengal Nagpur Cotton Mills	Rajnandgaon	Chattisgarh	31.10.2002
46	Indore Malwa United Mills	Indore	Madhya Pradesh	31.03.2003
	NTC-Uttar Pradesh	**Kanpur**	**Uttar Pradesh**	
47	Atherton Mills	Kanpur	Uttar Pradesh	11.03.2004
48	Bijli Cotton Mills	Kanpur	Uttar Pradesh	11.03.2004
49	Laxmirattan Cotton Mills	Hathras	Uttar Pradesh	11.03.2004
50	Lord Krishna Tex.Mills	Saharanpur	Uttar Pradesh	11.03.2004
51	Muir Mills	Kanpur	Uttar Pradesh	11.03.2004
52	New Victoria Mills	Kanpur	Uttar Pradesh	11.03.2004
53	Rae Bareli Tex. Mills	Rai Bareli	Uttar Pradesh	11.03.2004
54	Shri Vikram Cotton Mills	Lucknow	Uttar Pradesh	11.03.2004
55	Swadeshi Cotton Mills, Kanpur	Kanpur	Uttar Pradesh	11.03.2004
56	Swadeshi Cotton Mills, Naini	Naini	Uttar Pradesh	Feb.,2009
	NTC- Gujarat	**Ahmedabad**	**Gujarat**	
57	Petlad Textile Mills, Petlad	Petlad	Gujarat	06.05.2002
58	Rajkot Textile Mills	Rajkot	Gujarat	06.05.2002
59	Viramgam Textile Mills, Viramgam	Viramgam	Gujarat	31.07.2002
60	New Manekchowk Textile Mills	Ahmedabad	Gujarat	31.07.2002
61	Mahalaxmi Textile Mills	Bhavnagar	Gujarat	30.09.2002
62	Rajnagar Textile Mills 2	Ahmedabad	Gujarat	31.10.2002
63	Ahmedabad Jupiter Mills	Ahmedabad	Gujarat	31.03.2003
64	Himadari Textile Mills	Ahmedabad	Gujarat	30.09.2003
65	Jehangir Textile Mills	Ahmedabad	Gujarat	30.06.2004
66	Ahmedabad New Textile Mills	Ahmedabad	Gujarat	Feb.,2009
	NTC -Wbab&O	**Kolkata**	**West Bengal**	
67	Bangasri Cotton Mills	Sonepore	West Bengal	06.05.2002
68	Bengal Fine S.& W.Mills No. II	Kataganj	West Bengal	06.05.2002
69	Manindra B.T.Mills	Cossim Bazar	West Bengal	06.05.2002
70	Jyoti Wvg. Factory	Patipukur	West Bengal	06.05.2002
71	Central Cotton Mills	Belur	West Bengal	06.05.2002

S. No.	Name of Mills	Location	State	Date of closure/Status
72	Shree Mahalaxmi Cotton Mills	Palta	West Bengal	06.05.2002
73	Gaya Cotton & Jute Mills	Gaya	Bihar	06.05.2002
74	Bengal Luxmi Cotton Mills	Serampore	West Bengal	25.10.2003
75	Rampooria Cotton Mills	Rishra	West Bengal	25.10.2003
76	Bengal Fine S.& W.Mills No.I	Konnagar	West Bengal	25.10.2003
77	Associated Industries	Chandrapur	Assam	Feb.,2009
78	Bihar Cooperative Mills	Mokameh	Bihar	Feb.,2009

TRANSFERRED TO PUDUCHERY GOVT

S. No.	Name of Mills	Location	State
1	Sri Bharathi Mills	Puduchery	Puduchery
2	Swadeshi Cotton Mills	Puduchery	Puduchery

MILLS NOT OPERATIONAL

S. No.	Name of Mills	Location	State
1	Udaipur Coton Mills	Udaipur	Rajasthan
2	MahaLakshmi Mills	Beawar	Rajasthan

MILL NOT RUN AFTER NATIONALIZTION

S. No.	Name of Mills	Location	State
1	Fine Kniiting Mills	Ahmedabad	Gujrat
2	Kothanandam Mills	Madurai	Tamilnadu
3	Kanoria Mills	Konnagar	West Bengal
4	Bengal Textile Mills	Kasimbazar	West Bengal

MILLS CLOSED UNDER SC ORDER

S. No.	Name of Mills	Location	State
1	Ajudhia Mills	Azadpur	Delhi

MILLS TAKEN OVER, NOT NATIONALIZED & DENOTIFIED (BY DEFAULT ON 22.06.1988)

S. No.	Name of Mills	Location	State
1	Mohini Mills	Belgharia	West Bengal

Observance of Swachhta Pakhwada from 15th September, 2018 to 02nd October, 2018

Observance of Swachhta Pakhwada from 15th September, 2018 to 02nd October, 2018

NOTICE

Notice is hereby given that **50th Annual General Meeting** of National Textile Corporation Limited, will be held on **Monday**, the **26th Day of November, 2018 at 10.30 AM** at the Registered Office of the Company at **SCOPE Complex, 5th Floor, Core-IV, 7, Lodhi Road, New Delhi - 110 003** to transact the following business :-

ORDINARY BUSINESS:

1. To receive, consider and adopt the **Standalone** Audited Balance Sheet as at 31st March, 2018 and Profit & Loss Account for the year ended on that date together with the Report of the Auditors, Directors and comments of Comptroller & Auditor General of India thereon.

2. To receive, consider and adopt the **consolidated** Audited Balance Sheet as at 31st March 2018, Profit & Loss Account for the year ended on that date together with the Report of the Auditors and comments of Comptroller & Auditor General of India thereon.

3. To ratify the remuneration of Statutory Auditors appointed by Comptroller & Auditor General of India (C&AG), for the financial year ended on 31st March, 2018.

SPECIAL BUSINESS:

4. To ratify the remuneration of the Cost Auditors of the Company for the Financial Year 2018-19.

To consider and if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution.**

"**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification/s or re-enactment thereof, for the time being in force) the total remuneration of ₹ 6,05,000/- plus TA/DA capped at 20% of the fees, as per terms of appointment of Cost Auditors, to be paid to Lead and other Cost Auditors in respect of Cost Audit of 24 Mills and consolidation and submission of report thereof to the Board of Directors (as detailed out in the Explanatory Statement) for the Financial Year 2018-19, as approved by the Board of Directors, be and is hereby ratified.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By Order of the Board of Directors
Sd/-
(Pankaj Agarwal)
Company Secretary

Place: New Delhi
Date : 26th October, 2018

NOTES :

1. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of the Special Business Item No.4, set out in the Notice is annexed.

2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND A PROXY NEED NOT TO BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE MUST BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING. PROXY FORM IS ENCLOSED.**

3. The President of India or Governor of State, as the case may be, may appoint their representative under section 112(1) of the Companies Act 2013 to participate in the meeting. A person so appointed shall be deemed to be a member of the company.

Explanatory Statement Pursuant to Section 102(1) of the Companies Act 2013.

Item No. 4

Based on the recommendations of the Audit Committee, the Board of Directors in its meeting held on 25th September 2018 has approved the names of the 13 Cost Auditor Firms for Cost Audit of 24 mills and the consolidation and submission of the report thereof to the Board of Directors, at a total fee of ₹ 6,05,000/- plus TA & DA capped at 20% of the fees, as per terms of appointment, for the Financial Year 2018-19.

The Details of Cost Auditors and their remuneration are as under:-

S. No.	Name of the Cost Auditor / Firms	S. No.	Consolidation Work / Name of the Mills for Cost Audit	Cost Audit fees
1.	Chandra Wadhwa & Co., New Delhi, (Lead Cost Auditor)	(A)	Consolidation & Submission of Report to Board	49500/-
		(B)	Mills for Cost Audit :-	
2	C.Sanjeevi , Coimbatore	1.	Combodia Mills, Coimbatore (TN)	22000/-
		2.	Pankaja Mills, Coimbatore (TN)	22000/-
3	AR Ramasubramania Raja, Coimbatore	1.	Pioneer Mills, Coimbatore, Tamil Nadu	22000/-
		2.	Kaleeswarar-B, Coimbatore (TN)	22000/-
4	M/s. KSS VKG & Associate, Bangalore	1.	Sri Rangavilas Gng. Spg. & Wvg. Mills, Coimbatore (TN)	22000/-
		2.	CSW Mills, Coimbatore (TN)	22000/-
5	L. Rajendran & Associates, Coimbatore	1.	Coimbatore Murugan Mills, Coimbatore (TN)	27500/-
6.	Rupa Acharya, Bangalore	1.	CSW, Mahe, Puducherry	22000/-
		2.	Cannaore Spg. & Wvg. Mills, Cannanore (Kerala)	22000/-
7	Dhananjay V Joshi & Associate, Pune	1.	Tirupathi Mills, Tirupathi, Andhra Pradesh	22000/-
		2.	Kerala Laxmi Mills, Thrissur (Kerala)	22000/-
		3.	Vijay Mohini Mills, Trivandrum (Kerala)	22000/-
		4.	Alagappa Textiles, Algappa Nagar (Kerala)	22000/-
		5.	New Minerva Mills, Hassan, Karnataka	27500/-
8.	Joshi Apte & Associates, Pune	1.	Tata Mills, Mumbai (MH)	27500/-
		2.	Podar Mills, Mumbai (MH)	22000/-
		3.	Indu No. 5 Mills, Mumbai Maharashtra	22000/-
		4.	Finlay, Mumbai (MH)	22000/-
9	K G Goyal & Co., Jaipur	1.	Barshi Mills, Barshi Maharashtra	22000/-
		2.	Raj Nagar Textile Mills, Ahmedabad (Guj.)	27500/-
10.	Aman Malviya & Associates, Lucknow	1.	New Bhopal Textile Mills, Bhopal (MP)	22000/-
11.	M/s BK Das & Associates, Bilaspur	1.	Burhanpur Tapti Mills, Burhanpur (MP)	22000/-
12.	Bomdyopadhyaya Bhaumik & Co., Kolkata	1.	Arati Cotton Mills, Dasnagar (WB)	22000/-
13	Ujwal P. Loya & CO, Nagpur	1.	Finlay Mills, Achalpur (MH)	27500/-
	Total			**6,05,000/-**

Pursuant to Section 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration, as approved by the Board of Directors of the Company on the recommendation of the Audit Committee, is required to be subsequently ratified by the Members of the Company. Accordingly, the resolution for ratification of the fee of the Cost Auditors as set out at Item No. 4 of the Notice is submitted for approval of the Shareholders.

None of the Directors and/or Key Managerial Personnel of the Company and / or their relatives are concerned or interested in the resolution.

The Board recommends the resolution for your approval.

By order of the Board of Directors

Place: New Delhi **(Pankaj Agarwal)**

Date : 26th October, 2018 **Company Secretary**

Registered Office: SCOPE Complex, Core-IV, 7 Lodi Road, New Delhi-110 003
(CIN: U74899DL1968GOI004866)

To:

(i) All Members of National Textile Corporation Limited.

(ii) M/s Tiwari & Associates, Chartered Accountants, Statutory Auditors, T-8, Green Park Extension, New Delhi - 110 016

(iii) M/s. Nityanand Singh & Co, Company Secretaries, Secretarial Auditor, 14, Second Floor, Arjun Nagar, Safdarjung Enclave, New Delhi – 110 029

(iv) All the Directors on the Board of National Textile Corporation Limited.

(v) Director, MAB-II, 4th-5th Floor, Annexe Building, 10, B.S. Zafar Marg, New Delhi - 110 002

Sanjay Rastogi
Chairman & Managing Director

DIRECTOR'S REPORT 2017-18

Dear Shareholders,

Your Directors take immense pleasure in presenting the 50th Annual Report on the working and achievements / events of the National Textile Corporation Limited (NTC). The report comes together with the Annual Accounts for the year ending 31st March, 2018 as approved by the Board and certified by the Auditors.

TEXTILE SCENARIO

The Indian textile industry contributes about 14 percent to industrial production, 4 percent to the GDP and 13 percent to the country's export earnings. It provides direct employment to over 45 million people. The textile sector is the second largest provider of employment after agriculture.

PLANNING AHEAD

NTC through its new marketing strategy has to reposition itself as a preferred clothier of Indian masses and a preferred supplier to yarn customers. Major Corporate houses now trust the quality of NTC and are buying yarn continuously from us. Positioning itself to be a repository of Indian Textile Legacy, the strategy outlined is to create new brands and retail formats that deliver value for money apparel and home textiles to Indian masses and all potential customers across the globe eventually.

In keeping with the marketing mission and vision statement, NTC plans to bring various products to its customers through 86 company owned retail stores. In terms of basic operations, NTC also plans to move from selling yarn as a commodity to selling branded yarn by differentiating the yarn from those of other sellers and highlighting the USP's through appropriate brand name, design, symbol, logo and packaging. NTC has moved to value added yarn such as Melange and Slub Yarn, etc. In tandem with the changing sector scenario, NTC has plans to diversify its operations into Technical Textiles as well. NTC is roping in agencies for third party inspection of its yarn and products to ensure the quality standards as per market norms. Inorder to ensure competition and better price discovery, new dealers are being registered. The company is exploring new markets and has entered into the North Indian market as well. The company has also started fabric innovation in collaboration with Textile Research Organizations. NTC is also getting market research done through reputed research organizations for value maximization, product portfolio rationalization and for its new projects.

The main shifts of its focus lie in changing the company's reputation from just being a production organization to a market oriented organization and communicate the change to all the stake holders on the new philosophy through various initiatives.

In the retail segment, NTC is working aggressively and with its continuous efforts has been able to garner orders from State and Central Government under various schemes. Institutional and Export sales will be thrust sector for NTC in the coming years as they provide volume and repeat orders.

TECHNICAL TEXTILES, INSTITUTIONAL & EXPORTS

"Technical Textiles" is an area where there is tremendous scope for the company to improve its turnover and profitability; hence initially Marketing Agreements have been signed to penetrate this segment. NTC has bagged orders from Indian Army, Indian Navy, UP Police etc. for Technical Textile Products. NTC has bagged prestigious order for supply of uniform to Air India worth ₹ 30.89 Crores. We are hopeful of getting repeated orders apart from our regular supplies. NTC has registered its presence in the exports market and has exported yarn and greige cloth to the tune of ₹ 73 crores in the year 2017-18.

CHALLENGES BEFORE COMPANY

The lower level of Modernization in most of the Mills is resulting in lower productivity & utilization. Mills are not able to produce high value yarn and also limiting value addition to the product for getting better margins. Higher Power cost due to non-availability of captive power, Mills have to depend on State Electricity Boards for getting power at higher rates. In most of the Mills, there are permanent workers and so paying higher wages.

During the year 2017-18 there has been overall improvement in technical performance like utilization and productivity of the mills. There has been an improvement in utilization level during the year from 84.81% in 2016-17 to 87.61%. The marginal increase in productivity is also achieved from 94.12 gms to 94.79 gms.

CONSTITUTION OF BOARD

As on date of the Board's Report, the Board of NTC Limited consists of a Chairman & Managing Director (Additional Charge), two Functional Directors, two Govt. Nominee Directors and three part time non-official Directors (Independent Directors).

STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SECTION 149

The President of India has appointed three part time non-official Directors (Independent Directors) namely Shri Anil B. Joshi, Smt. Anita Agarwal and Shri Devendra Daga for a period of three years with effect from 30.01.2017. The Company has received declarations from its Independent Directors stating that they have met the criteria of independence under Section 149(6) of the Companies Act, 2013.

INTEGRITY PACT

Integrity Pact is a tool which ensures that all activities and transactions between a Company or Government Department and their Suppliers are handled in a fair, transparent and corruption-free manner. It prohibits any kind of bribing, favor or any other unethical practice, which are closely monitored by the Independent External Monitors (IEMs) nominated by CVC.

The Integrity Pact envisages an agreement between the prospective Vendors/Bidders and the Buyer, committing the officials of both sides with certain Do's and Dont's. WRO, SRO and HO submit tender details under Integrity Pact to IEMs who monitor the tendering process and review independently and objectively whether and to what extent the parties comply with the obligations under the agreement and inform the management whenever needed. Also, IEMs deal with the complaint matters pertaining to tenders received by them.

CELEBRATION OF INCORPORATION DAY

Your company celebrated 50th Incorporation Day with great fervour. Celebration included sharing of experiences by its Directors / senior employees.

1. HIGHLIGHTS FOR THE YEAR 2017-18:

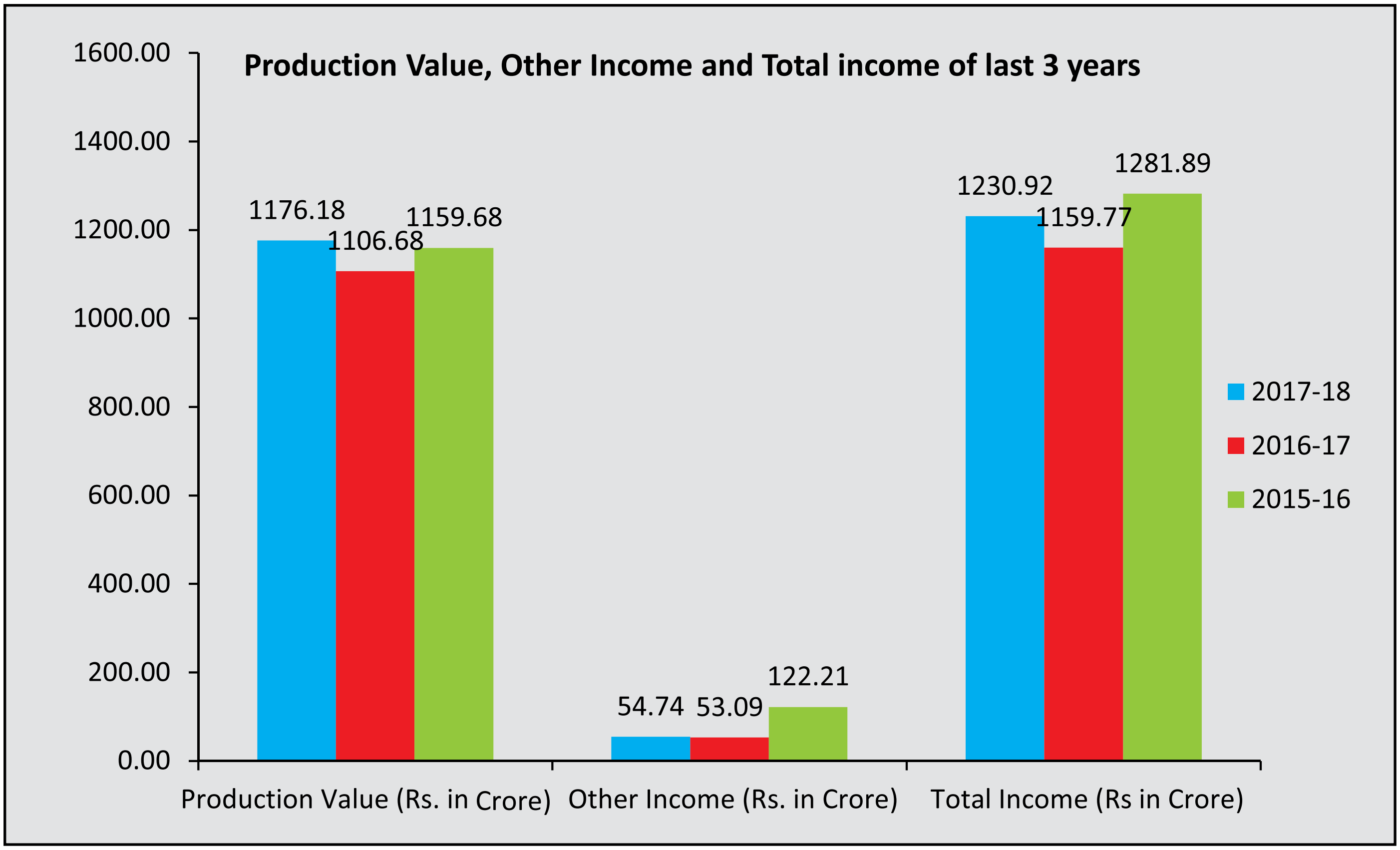
1.1 FINANCIAL RESULTS:-

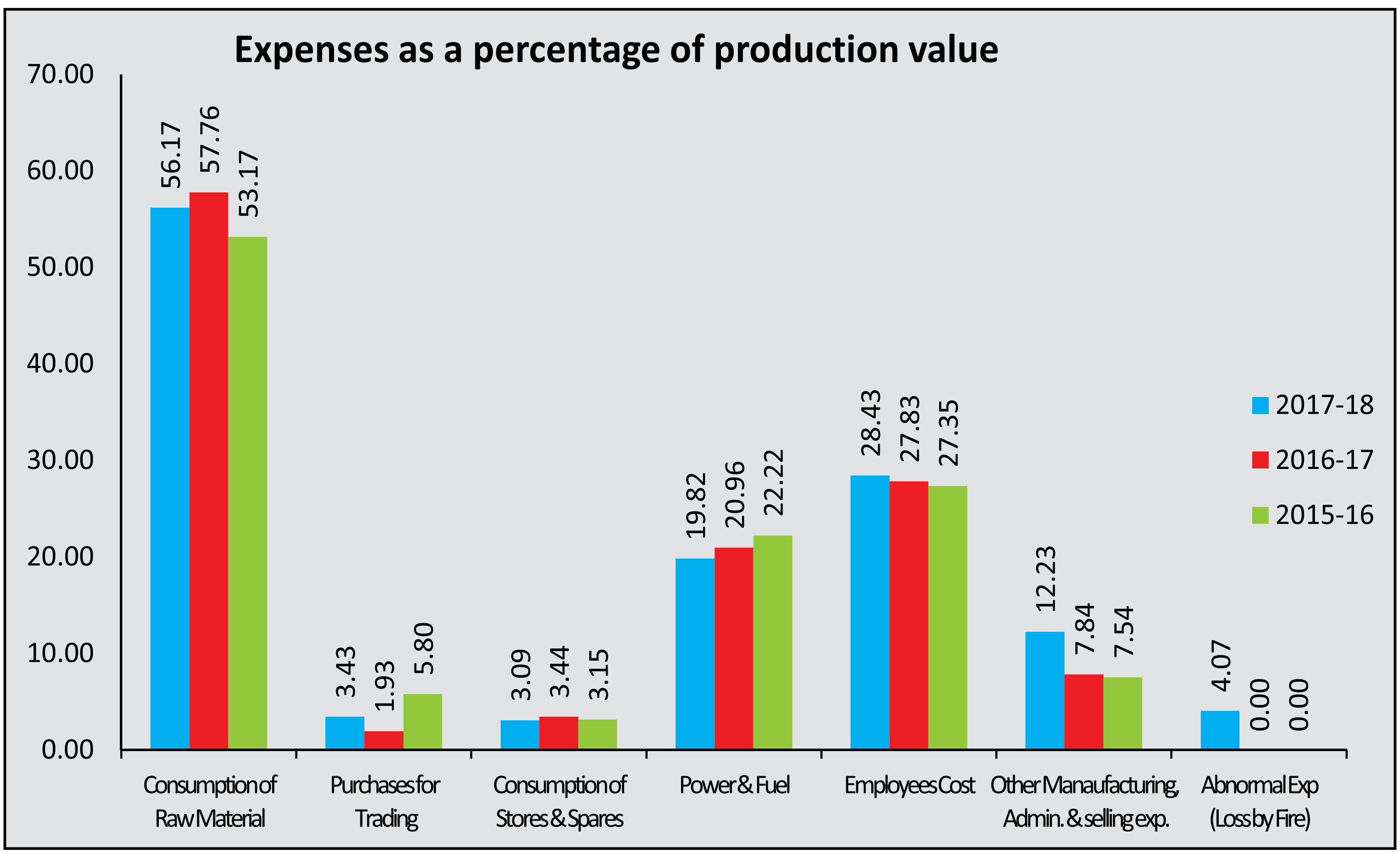
During the current year the company has reported a net loss of ₹ 308.11 crore as against a net profit of ₹ 969.38 crore in the previous year.

Financial results for the financial year 2017-18 are summarized below:- **(₹ in Crore)**

SL. No.	Particulars	2016 - 17	2017 - 18
I	**INCOME:**		
	Gross Sale	1,168.50	1,066.27
	Increase/ (Decrease) in Stock	(82.42)	41.84
	Other Income (Excluding Interest, Dividend etc.)	20.60	68.07
	Total Production value	**1,106.68**	**1,176.18**
	Other Income-		
	Interest on FD and int. on others	45.37	46.21
	Dividend	7.72	8.53
	TOTAL REVENUE (i to iv)	**1,159.77**	**1,230.92**

SL. No.	Particulars	2016 - 17	2017 - 18
II	**EXPENDITURE:**		
	Consumption of Raw Material	639.23	660.69
	Purchases for Trading	21.41	40.37
	Consumption of Stores & Spares	38.08	36.31
	Power & Fuel	232.00	233.13
	Employees Cost :		
	Wages & Salaries	288.81	306.23
	Gratuity, Leave Provisions etc.	19.13	28.19
	Other Expenses (Manufacturing, Admn. & Selling Exp.) including excise duty	85.07	128.65
	Impairment Loss	-	4.61
	CSR Expenses	0.01	-
	Provisions for doubtful debts etc.	1.67	10.55
	TOTAL- II (i to ix)	**1,325.41**	**1,448.74**
III	Profit /(Loss) from Ordinary activities before Depreciation, Interest exceptional / extraordinary items & Tax (I - II)	(165.64)	(217.82)
IV	**Depreciation**	136.66	55.72
	Interest:		
	a) Interest on Government of India Loan	46.84	46.84
	b) Other Interest	80.82	12.84
	Total (IV)	**264.32**	**115.40**
V	Profit or (Loss) from Ordinary activities before exceptional and extraordinary items(III-IV)	(429.96)	(333.22)
VI	Cash Profit or (Loss) from ordinary activities for the year before extra- Ordinary items and Tax excluding depreciation, provisions, Interest on GoI Loan. [V+{II(v)(b)+II(ix)+IV(i)+IV(ii)(a)}]	(221.94)	(190.60)
VII	Extra Ordinary Items	-	-
	Income/ (Loss) from Sale of Assets etc.	1,412.38	29.81
	Expenditure on MVRS etc.	(9.26)	(3.87)
	Post Take over employees liabilities.	-	-
	Compensation Received	-	0.35
	Interest waived by Others / Written off	-	-
	Total (VII)	**1,403.12**	**26.29**
VIII	**Other Comprehensive Income**		
	Re-measurement gains/(losses) on defined benefit plans	(3.88)	(1.32)
	Net gain / (Loss) on FVTOCI equity securities	0.10	0.14
	Total (VIII)	**(3.78)**	**(1.18)**
IX	**Tax:**		
	Income Tax	-	-
	Tax adjustment of previous year / Deferred Tax	-	-
	Total (IX)	**-**	**-**
X	Net Profit / (Loss) after Extra ordinary and Tax Items (V+VII+VIII–IX)	969.38	(308.11)


Production Value, Other Income and Total income of last 3 years
1600.00
1400.00
1200.00
1000.00
800.00
600.00
400.00
200.00
0.00
1176.18
1106.68
1159.68
54.74
53.09
122.21
1230.92
1159.77
1281.89
Production Value (Rs. in Crore)
Other Income (Rs. in Crore)
Total Income (Rs in Crore)
2017-18
2016-17
2015-16


Expenses as a percentage of production value
70.00
60.00
50.00
40.00
30.00
20.00
10.00
0.00
56.17
57.76
53.17
3.43
1.93
5.80
3.09
3.44
3.15
19.82
20.96
22.22
28.43
27.83
27.35
12.23
7.84
7.54
4.07
0.00
0.00
Consumption of Raw Material
Purchases for Trading
Consumption of Stores & Spares
Power & Fuel
Employees Cost
Other Manaufacturing, Admin. & selling exp.
Abnormal Exp (Loss by Fire)
2017-18
2016-17
2015-16

1.2 NET PROFIT & NET WORTH

The position of Net profit / (Loss) and Net Worth of the company at the end of last eight years is as follows:

(₹ in Crores)

ITEM	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Net Profit / (Loss)	1304.24	130.15	85.12	(175.71)	(316.25)	15.45	969.38	(308.11)
Net –worth	1562.98	1693.13	1778.25	1602.54	1284.52	1298.50	2268.11	1960.00

1.3 CHANGES IN THE NATURE OF BUSINESS

During the year 2017-18, the company has the same business pattern as of 2016-17.

2. DIVIDEND

No Dividend was declared for the current financial year due to carry forwarded losses.

3. MATERIAL CHANGES AND COMMITMENTS IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TOWHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THEREPORT

There is no Material changes and commitments that affected the financial position of the company occurred between the end of the financial year 31.03.2018 to which this financial statements relate and the date of the report.

4.1 WAIVER OF LOAN AND INTEREST

As per the approved scheme of BIFR, a proposal with regard to the write off of Govt. of India loan of ₹62.50 crore received in 2006-07 and waiver of interest outstanding thereon is under consideration before the Ministry of Textiles. NTC has also proposed that interest accrued on Govt. of India loan of ₹207.50 crore, received during 2007-08 & 2008-09, be waived off.

4.2 STATUTORY DUES

There has been no default in the payment of regular PF/ESIC dues during the year. However, PF/ESI authorities have been requested to consider waiver of damages in accordance with the Revival Scheme (MS-08) approved by Hon'ble BIFR and also the dues/damages pertaining to pre-takeover period which is not the liability of your company as per the provisions of Sick Textile Undertakings (Nationalisation) Act (STUNA). Issue of payment of dues has been taken up with the respective authorities and opinion of Ministry of Law & Justice has supported the contention of NTC.

5. EXPENDITURE ON FOREIGN TOURS AND GUEST HOUSE

5.1 During the year 2017-18, a sum of ₹ 2.21 lakh was incurred on foreign tours against ₹ 31.86 lakh in the previous year.

5.2 NTC Ltd. does not maintain any Guest House.

6. PRODUCTION & SALES

6.1 PRODUCTION:

During the year under review the 23 working mills of your company produced 52.78 million kgs. of yarn as against the production of 52.20 million kgs. in the previous year. These mills also produced 34.91 million sq. mtrs. of cloth during the current year as against the production of 31.55 million sq. mtrs. in the previous year. Thus, your company registered a increase in yarn production by 1.11% and cloth production by 10.65% over the previous year.

6.2 SALES

The total turnover of the company during the year 2017-18 is ₹ 1066.27 crores as against ₹1168.50 crores in the previous year.

7. NEW INITIATIVES

7.1 ISO CERTIFICATION:

Out of 23 Mills, 21 NTC mills where modernization to a certain extent has been made and both the Regional Offices of your company have obtained ISO 9001:2008 certifications.

7.2 E-PROCUREMENT OF COTTON

The cotton is being purchased through e-procurement route wherein the cotton specifications are put online and all registered vendors bid for the orders. It is an open and transparent system which has helped NTC in procuring the desired quality of cotton at reasonable lowest price. The major quantity of cotton is procured from Cotton Corporation of India.

7.3 STEPS TAKEN FOR REDUCTION IN POWER COST

NTC is purchasing Private Power from OPG Power Generator under Group Captive Mode for the mills based in Tamilnadu. For Kerala, Maharashtra and Gujarat through open access under IEX and in WRO the power is purchased through open access under bilateral mode. This has resulted into saving of ₹ 1457 lakhs.

7.4 SOLAR POWER

To contribute to Solar Mission of India under National Action Plan on Climate Change (NAPCC), NTC has already installed Roof Top Grid Connected Solar Power Plants with capacity of around 780 KWH at two mills i.e. Pioneer and Kal 'B' Mills and the solar generation is being utilized by the mills itself. This has resulted into saving of ₹ 67 lakhs. NTC is also planning to install around 6 MW Roof Top Solar Plant in its Mills in future.

7.5 ENERGY CONSERVATION

Energy cost being one of the major components of cost of production, necessary care is being taken towards Energy Conservation. Our Corporation has now taken up energy conservation and re-engineering studies with help of Energy Audit. By implementing the recommendations, company has resulted into saving of ₹ 518 lakhs by installation of Invertors, appropriate motors and energy efficient LED lights.

The maximum demand of the units has been suitably revised and the action has been taken to reduce the sanctioned contract demand in the units wherever necessary, also in close mills. This action would save money in electricity bill especially those are lying closed since long in different states.

In closed mills, further efforts are on to take domestic connection for residential colony to take advantage of tariff difference between industrial and domestic.

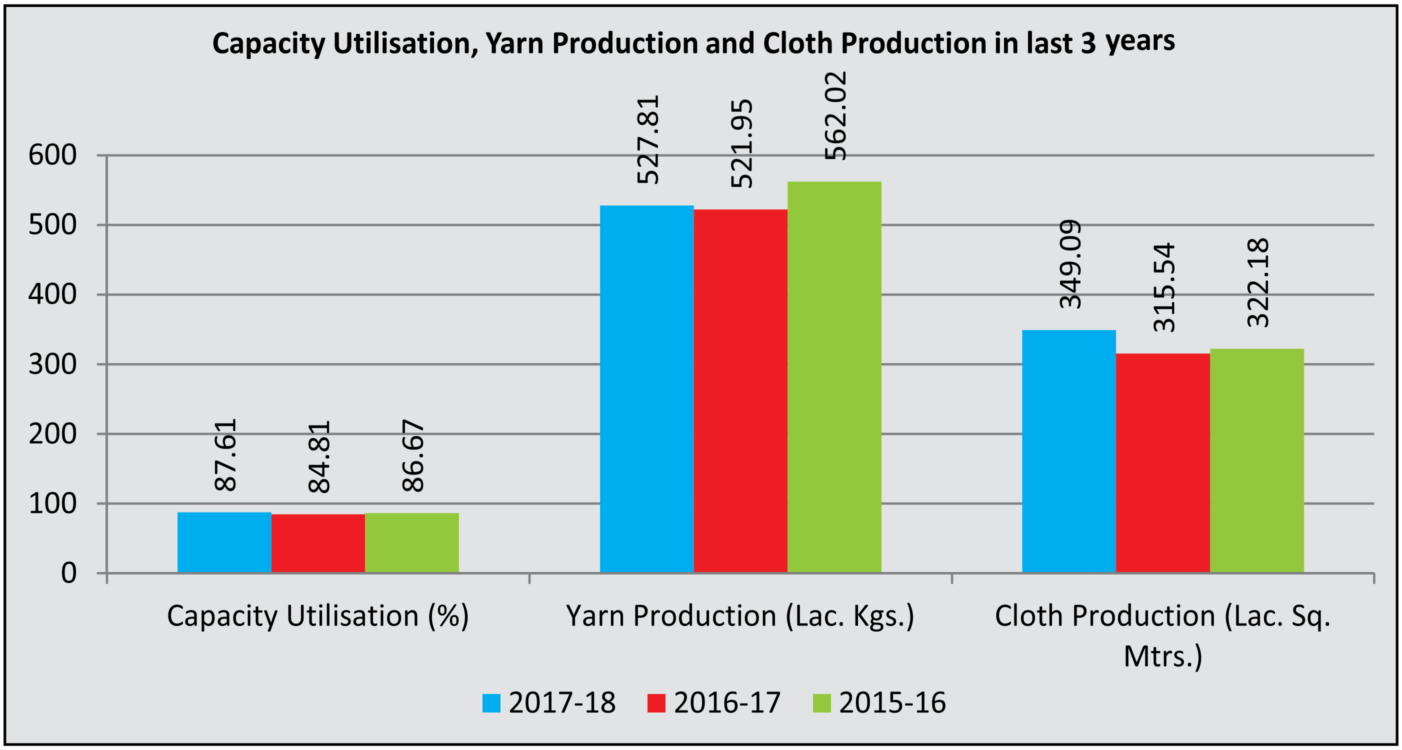
During 2017- 18, the company has saved Rs 2042 Lakhs by providing Private Power Purchase, Solar Power and Energy Conservation measures under SRO and WRO region.

7.6 TO COUNTER LABOUR SHORTAGE

To improve manhours required to produce 100 kg of yarn (HOK) of NTC, workload agreements are signed with labour unions on regular intervals as and when the existing one expired.

7.7 In accordance with the requirement of Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, the desired statement is given below:-

PARTICULARS	2017-18	2016-17	2015-16
Physical Production (Lakh Kgs.)	527.81	521.95	562.02
Cloth (Lakh Sq. Mtrs.)	349.09	315.54	322.18
Capacity Utilization (%age)	87.61	84.81	86.67
Consumption of Energy per unit of prod. In 40s conversion(Unit/kg.)	4.39	4.45	4.50



7.8 PERSONS WITH DISABILITIES (PWD) EMPLOYMENT

As on 31.07.2018, 49 employees are with disability, Details are as under:-

S. No.	Persons With Disabilities	Employees No.
1.	Managerial/Executive	7
2.	Supervisory	3
3.	Workers	39
	Total	**49**

8. SIGNING OF MOU WITH MINISTRY OF TEXTILES

The MOU for the year 2018-19 has been signed between Ministry of Textiles and Company on 25.06.2018. As per the MOU the company proposes to achieve new financial targets of ₹ 1500 crores as turnover and improved technical performance by taking Spinning Utilization percentage to the level of 95%.

9. THE STATUS OF REHABILITATION SCHEME:BIFR / AAIFR ORDER

In terms of BIFR Order dated 20.10.2014, your company is ceased to be a sick industrial company on the ground of its net worth becoming positive.The unimplemented portion of sanctioned rehabilitation scheme will however be implemented by all concerned.

Appeals were filed against BIFR order dated 20.10.2014 by your company and Rashtriya Mill Mazdoor Sangh, Mumbai before the Appellate Authority for Industrial and Financial Reconstruction (AAIFR) on 19.01.2015.

AAIFR vide its order dated 17.12.2015 disposed of both the appeals and directed as under:

“The unimplemented portion of the scheme, as modified from time to time, will continue to be implemented and the BIFR will continue to monitor the implementation of such unimplemented portions of the scheme notwithstanding its discharge from the purview of SICA.”

10 PARTICULARS OF LOANS, GUARNTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIESACT

There was no loan, guarantees or investments made by the company under Section 186 of the Companies Act, 2013 during the year under review.

11. PROGRESS OF IMPLEMENTATION OF REVIVAL SCHEME

11.1 IMPLEMENTATION OF MVRS

Most of the workers of the mills identified for closure and the surplus employees in the viable mills in addition to those employees who were desirous to go under MVRS in the various offices, were offered MVRS. During the year 2017-18, 137 employees opted for MVRS and compensation amounting to ₹3.76 Crore has been paid. Up to 31st March, 2018, 63777 employees have been under MVRS at a cost of ₹ 2383.51 Crores.

12.1 PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

There was no contract or arrangements made with related parties as defined under section 188 of the Companies Act, 2013 during the year under review.

12.2 STATEMENTS ON SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES COMPANIES

The details of Subsidiaries, Joint Ventures and Associates Company is furnished in Form AOC 1 enclosed at Annexure-I.

12.3 DEPOSITS

The Company has neither accepted nor renewed any deposits during the year.

13.1 Closure of unviable Mills

No mill has been closed under ID Act during the year 2017-18.

13.2.1 Modernization of Mills

NTC has in its fold 23 mills directly run by it.

13.2.2 Status of JVCs Mills:

(i) **5 JVCs Mills:** NTC Board decided to cancel the JV arrangement with Aurangabad Textiles & Apparel Parks Ltd., Aurangabad and New City of Bombay Mfg. Mills Ltd., Mumbai in its meeting held on 14.09.2017. Approval of MoT awaited.

Based on decision of NTC Board, Show cause notice issued on 27.07.2018 to Strategic Partners of Apollo Design Apparel Parks Ltd., Mumbai, Goldmohur Design & Apparel Parks Ltd., Mumbai and India United Textiles Mills Ltd., Mumbai stating that why the appropriate actions as contemplated under SSSA and other agreements be not taken against them for the breaches committed by them.

(ii) **11 JVCs Mills:** The cancellation of Memorandum of Understanding (MoU) in respect of 11 Mills with three Strategic Partners (SP) was challenged by them before Hon'ble High Court of Delhi. The Hon'ble High Court of Delhi had viewed the termination as illegal vide its order dated 14.08.2012. A review petition was filed by NTC against the said order which was disposed of with a direction to present the same before the Arbitral Tribunal where arbitration proceedings are pending. Both the parties concluded their arguments. Written submissions have been filed by both the parties. The Arbitral Tribunal reserved the award. Accordingly, review petition filed by NTC pending before the Arbitral Tribunal shall be disposed of along with the award.

13.3 Future Plans

With the intention to go in for vertical integration of manufacturing finished fabric and garments so as to get the benefits of value addition in the entire production chain, the Integrated project has been planned to be set-up at Amravati, Maharashtra. NTC Board has given in-principle approval on going ahead for setting-up a project at Amravati with the condition that the Company should be able to sell the products without accumulating inventory beyond the norms. NTC engaged M/s Price Water House Coopers to conduct market survey to understand end market requirements in domestic and export arena for NTC's expanded capacity and the study is completed.

To improve the bottom line of the company, a modernization plan duly concurred by SITRA envisaging an investment of Rs 360 crores covering all 23 working mills was put up before 375th Board Meeting. It was decided that initially, with an objective to generate cash profit, 12 mills with the total investment of 267 crore are to be modernised. Out of 267 crore, 75 crore was the part of approved capital budget of 2017-18 and same is carried forward to 2018-19 capital budget as a part of committed liability towards capital procurement. Remaining 192 crore was made a part of capital budget 2018-19 and same was approved by the Board in its 377th Board Meeting held on 24.01.2017.

NTC shall strengthen its retail network with focused attention on Menswear brand “Indian Republic” apart from consolidating its existing brands i.e. RAASA (Home Textile), Finlays and Entyce etc.

NTC is moving into processed fabric and developing samples for Corporate buyers as these fabric yield better results. NTC is aligning mills to cater to specific buyers to ensure long term contracts and continued orders.

We are revisiting our Sales Policy to be in tandem with the ever changing business environment and as per the requirements of the business.

14. STATUS OF 5 JV MILLS

In respect of 5 Subsidiary Companies under Joint Venture (JV) arrangement, their consolidated financial position is as under:

(₹ in crore)

	Particulars	2017-18	2016-17
I.	**INCOME:**		
	1. Sales	1045.87	1,363.74
	2. Other Income	2.1	2.05
	3. Increase/ (Decrease) in Stock	1.71	0.02
	Total Income from Operation (1+2+3)	**1049.68**	**1365.81**
II.	**EXPENDITURE:**		
	1. Cost of Material Consumed	29.41	21.71
	2. Purchases for Trading	953.48	1,275.46
	3. Employees Remuneration & Benefits	16.47	13.8
	4. Administrative, Selling & Distribution Expenses and other expenses	10.79	11.26
	Total Expenditure on Operations (1+2+3+4)	**1010.15**	**1322.23**
III.	**Cash Profit/ (Loss) from Operations before Extra Ordinary Items and Non Operational Expenses**	39.53	43.58
IV.	**Non Operational Expenses**		0
	1. Provision written Back	0	0
	2. Depreciation	2.88	2.79
	3. Income Tax (Current)	13.54	14.37
	4. Income Tax (Deferred)	-0.26	-0.46
	Total Non Operational Expenses (1+2+3+4)	**16.16**	**16.7**

Particulars		2017-18	2016-17
V.	**Net Profit/ (Loss) after Non Operational Expenses and Taxes**	**23.37**	**26.88**
VI.	**Other Comprehensive Income**	**0.13**	**0.03**
VII.	**Total Comprehensive Income for the year**	**23.50**	**26.91**
VIII.	**NTC's Investment**	**18.09**	**18.09**
IX.	**Percentage of NTC shares (%)**	**51%**	**51%**
X.	**NTC's share in profit**	**11.98**	**13.72**
XI.	**Dividend received (NTC Share)**	**8.52**	**7.71**

15. CONSOLIDATION OF FINANCIAL STATEMENTS (CFS)

In accordance with the schedule III of the Companies Act, 2013 and applicable Accounting Standards your company has prepared the Consolidated Financial Statements (CFS) considering National Textile Corporation Limited, its five Subsidiary Companies and one Associate Company.

Consolidated Financial Results for the year 2017-18 are furnished below:-

(₹ in Crore)

SL.No.	Particulars	Results 2017-18	Results 2016–17
I	**INCOME:**		
	Gross Sale	2,112.14	2,532.24
	Increase/ (Decrease) in Stock	43.55	(82.40)
	Other Income (Excluding Interest, Dividend etc.)	68.68	20.73
	Total Production value	2,224.37	2,470.57
	Other Income-		
	Interest on FD, int. on sales proceed of assets	47.71	47.29
	Dividend	0.01	0.01
	TOTAL REVENUE (i to iv)	**2,272.09**	**2,517.87**
II	**EXPENDITURE:**		
	Consumption of Raw Material	690.10	660.95
	Purchases for Trading	993.85	1,296.87
	Consumption of Stores & Spares	36.72	38.37
	Power & Fuel	234.48	233.13
	Employees Cost :		
	Wages & Salaries	321.65	301.70
	Gratuity, Leave Provisions etc.	29.24	20.04
	Other Expenses (Manufacturing, Admn. & Selling Exp.) including excise duty	137.09	94.22
	Impairment Loss	4.73	-
	CSR Expenses	0.05	0.01
	Provisions for doubtful debts etc.	10.86	1.67
	TOTAL-II	**2,458.89**	**2,647.64**

SL.No.	Particulars	Results 2017-18	Results 2016–17
III	Profit /(Loss) from Ordinary activities before Depreciation, Interest exceptional / extraordinary items & Tax (I - II)	(186.80)	(129.77)
IV	**Depreciation**	58.60	139.45
	Interest:		
	Interest on Government of India Loan	46.84	46.84
	Other Interest	12.85	80.82
	Total (IV)	**118.29**	**267.11**
V	Profit or (Loss) from Ordinary activities before exceptional and extraordinary items(III-IV)	(305.09)	(396.88)
VI	Cash Profit or (Loss) from ordinary activities for the year before extra-Ordinary items and Tax excluding depreciation, provisions, Interest on GoI Loan. [V+{II(v)(b)+II(ix)+IV(i)+IV(ii)(a)}]	(159.55)	(188.88)
VII	**Extra Ordinary Items**		
	Income/ (Loss) from Sale of Assets etc.	30.15	1,412.38
	Expenditure on MVRS etc.	(3.87)	(9.26)
	Total (VII)	**26.28**	**1,403.12**
VIII	**Other Comprehensive Income**		
	Re-measurement gains/(losses) on defined benefit plans	(1.20)	(3.84)
	Net gain / (Loss) on FVTOCI equity securities	0.14	0.09
	Total (VIII)	(1.06)	(3.75)
IX	**Tax:**		
	Income Tax	(13.54)	(14.37)
	Tax adjustment of previous year / Deferred Tax	0.27	0.46
	Total (X)	**(13.27)**	**(13.91)**
X	Net Profit / (Loss) after Extra ordinary and Tax Items (V+VII+VIII-IX)	(293.14)	988.58
	Profit attributable to	-	-
	Owners	(303.55)	979.15
	Non Controlling Interest	11.44	13.17
	Other Comprehensive income attributable to	-	-
	Owners	(1.11)	(3.76)
	Non Controlling Interest	0.06	0.01
	Total Comprehensive income attributable to	**-**	**-**
	Owners	(304.66)	975.39
	Non Controlling Interest	11.51	13.19

16. HUMAN RESOURCES DEVELOPMENT

16.1 INDUSTRIAL RELATIONS:

The Industrial Relations in NTC Group remained cordial during the year.

16.2 WORKERS' PARTICIPATION IN MANAGEMENT:

The mechanism of Workers' participation in management is an essential ingredient of Industrial democracy which exists in the mills of NTC. The management with this approach encourage workers participation in the decision-making process of the organization for better understanding of their role in organisation, establish good communication system, increase productivity, promote mutual understanding and the level of satisfaction of workmen in the organisation. The level of "workers' participation in management" is in existence in Mills at different level i.e. Decisive Participation, Consultative Participation, Associative Participation, Administrative Participation and Informative Participation. The grievance policy and procedure is already in existence.

16.3 EMPLOYMENT OF WOMEN

At the close of year 2017-18, in NTC Group, there were 1347 women employees out the total 7199 employees. The overall percentage of women employees in NTC is 18.71%.

17. SC/ST POSITION IN RESPECT OF NTC GROUP AS ON 31.03.2017 WAS AS UNDER:

Group	Total no. of employees	No. of SC employees	% age of SC employees	No. of ST Employees	% age of ST Employees
A and B	434	79	18.20	05	1.15
C and D	6757	1295	19.16	84	1.24
D(S)	8	8	100	-	-
Total	**7199**	**1382**	**19.19**	**89**	**1.23**

18. PROGRESS IN USE OF HINDI

NTC has complied the provisions of the Official Language Act, 1963 and relevant rules during the year 2017-18. Quarterly meetings of the Official Language Implementation Committee (OLIC) organized to review the progressive use of official language. Every possible effort is being made for the continuous increase in the use of official language in the corporation and its regional offices & their unit mills.

Hindi Pakhwara was organized with full enthusiasm from 14.09.2017 to 28.09.2017 for the purpose of maintaining an inspirational, favorable environment for implementing the official language of the Union. In the workforce, many workshops/seminars, various competitions etc. were held in this year to encourage employees for maximum use of Hindi in official works. A large number of officers and employees participated in these workshops/seminars. Cash prizes and citations were provided to the employees as encouragement and motivation.

The 24th Hindi Advisory Committee Meeting of Ministry of Textiles under the chairmanship of Hon'ble Minister of State Shri Ajay Tamta was successfully concluded on 16th June 2017 at Thiruvananthapuram (Kerala). NTC successfully discharged the responsibility entrusted by MOT for making all necessary arrangements for this high level meeting.

Under the guidance of Head Office, both the regional offices have done an excellent work in Hindi. Southern Regional Office, Coimbatore has been awarded the best prize/second prize for 9th consecutive time by Narakas, Coimbatore and Western Regional Office, Mumbai has been awarded the third prize by the Narakas, Mumbai.

19. PARTICULARS OF EMPLOYEES

The particulars of covered employees in pursuance of Section 134 of the Companies Act, 2013 read with Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 are "NIL".

20. VIGILANCE ACTIVITIES

The Vigilance Division of the Corporation is playing a crucial role in achieving the goal of the organisation by safeguarding and protecting the interest of the Corporation.

The Vigilance Wing of NTC Limited and its Regional/Sub Offices, situated at various places all over India have created awareness amongst the employees on issues relating to combating the menace of corruption.

As a preventive step, guidelines issued by the Central Vigilance Commission from time to time are being circulated to all the concerned officials for information and strict compliance. The Structured Meeting between CVO & CMD is being held regularly on quarterly basis.

The vigilance corner of NTC Website has regularly being upgraded, providing information about vigilance activities. The 'Complaint Management System (CMS)' implemented for monitoring of on line complaints.

The complaints received from various sources (CVC Portal) are being looked into and processed promptly as per the guidelines issued by CVC. The regular/surprise visits are being made by the vigilance officials in different units/offices of the Corporation. The Annual Property Return etc. are being scrutinized on 100% basis. Agreed list and ODI lists are prepared regularly.

As per instructions of CVC, Vigilance Awareness Week,2017 was observed from 30.10.2017 to 4.11.2017 with the theme, "My vision – Corruption Free India". Programmes were held at Head office and also at Delhi, Coimbatore, Achalpur, Patna, Barshi, Nanded, Ahmedabad, Mumbai etc. Outreach Seminars were organised at 20 schools and 14 colleges. During Vigilance Awareness Week, 2017, 1562 employees of NTC took online integrity pledge. As part of Vigilance Awareness Week, an online self learning quiz was also conducted. 320 employees participated and were awarded certificates.

21.1 THE CHANGES IN THE BOARD OF DIRECTORS FROM PREVIOUS ANNUAL GENERAL MEETING TILL DATE IS GIVEN BELOW

(A) Directors ceased to exist :

Shri P.C. Vaish	-	18.12.2017
Shri J. K. Dadoo	-	22.01.2018
Shri A. Madhukumar Reddy	-	01.05.2018
Shri Sarvepalli Srinivas	-	31.05.2018
Shri Sanjay Sharan	-	19.06.2018

(B) Directors inducted on Board:

Shri Sarvepalli Srinivas	-	18.12.2017
Dr. Subhash Chandra Pandey	-	22.01.2018
Shri Sanjay Sharan	-	01.05.2018
Shri Sanjay Rastogi	-	19.06.2018
Smt. Aditi Das Rout	-	19.06.2018

21.2 DETAILS OF DIRECTORS AND KMP APPOINTED AND RESIGNED DURING THE YEAR

S.N.	Name of the Director	Designation	Date of Appointment	Date of Cessation
1	Shri Alokendra Banerjee	Director(Marketing)	-	05.05.2017
2	Shri P.C. Vaish	Chairman & Managing Director	-	18.12.2017
3	Shri J. K. Dadoo	Director (Govt. Nominee)	-	22.01.2018
4	Shri Sarvepalli Srinivas	Chairman & Managing Director	18.12.2017	-
5	Dr. Subhash Chandra Pandey	Director (Govt. Nominee)	22.01.2018	-

22. Meetings of Board of Directors

During the financial year 2017-18, 7 (Seven) Board Meetings were held in the Corporation as under:

No.	Meetings Nos.	Date
1	373	28.06.2017
2	374	14.09.2017
3	375	25.09.2017
4	376	23.10.2017
5	377	24.01.2018
6	378	15.02.2018
7	379	08.03.2018

23. Audit Committee Meetings

During the financial year 2017-18, 3 (Three) meetings of Audit Committee were held:

No.	Meetings Nos.	Date
1	60	21.04.2017
2	61	07.09.2017
3	62	23.01.2018

24. During the financial year 2017-18, no Subsidiary Company came in existence or ceased.

25. There is no qualified opinion given to the company by the Statutory Auditors of the Company on the Standalone Annual Account and Consolidated Financial Statements as on 31.03.2018.

The comments of Comptroller and Auditor General (CA&G) of India is awaited.

26. In pursuance of Companies Act 2013, your Board of Directors have appointed M/s. R Krishnan as lead cost auditors to consolidate the Cost Audit Report of all working units for the year 2017-18.

27. SECRETARIAL AUDIT FOR THE FINANCIAL YEAR 2016-17

As per the criteria defined under section 204 of the Companies Act, 2013, the Secretarial Audit is applicable compulsorily to NTC. Accordingly, M/s Nityanand Singh & Co., Practicing Company Secretaries, New Delhi were appointed as Secretarial Auditors of the Company, for the Financial Year 2017-18.

M/s Nityanand Singh & Co. have given their Secretarial Audit Report in Form No. MR-3, under Rule 9 of The Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, which is enclosed as **Annexure-II**.

28. Extract of Annual Return

The extract of Annual Return for the Financial Year ended on 31.03.2018, Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014, is enclosed in Form No. MGT-9, as **Annexure-III**.

29. INTERNAL FINANCIAL CONTROL

With respect to the adequacy of Internal financial Control over financial reporting of the company and the operating effectiveness of such controls, the reports are given by the Statutory Auditors of the company in their Auditors Report and Annexed at **Annexure-'B'** of the Independent Auditors Report.

30. CORPORATE GOVERNANCE

A report on compliance of Corporate Governance, as required under the guidelines on Corporate Governance for CPSEs, issued by the DPE, is enclosed as **Annexure–IV**, for perusal of the members.

A certificate issued by Shri Nityanand Singh & Company, practicing Company Secretary, New Delhi regarding compliance of Corporate Governance, as stipulated in the guidelines issued by the DPE, is attached as **Annexure-V**.

31. CORPORATE SOCIAL RESPONSIBILITY (CSR)

Company has earned the net profit of ₹ 969.38 crores during F.Y. 2016-17 and incurred net loss of ₹ 308.11 crores. However, there was no fund allocation under CSR for the F.Y. 2017-18 as the Company had incurred losses as per computation of profits u/s 198 of the Companies Act 2013 for the purpose of eligible expenditure under CSR.

32. PROCUREMENT FROM MSMEs DURING 2017-18

Public Procurement Policy for Micro & Small Enterprises (MSEs) Order, 2012 mandates an 20% procurement of goods and services from MSEs out of total procurement and out of this 4% to be procured from MSEs owned by SC/ST entrepreneurs. The annual procurement from (MSEs) during 2017-18 is as under:

S.No.	Particulars	Value (₹ in Lakhs)	% of total procurement
1.	Total Annual Procurement	5334.63	100%
2.	Total value of goods & services procured from MSEs (including MSEs owned by SC/ST entrepreneurs)	1932.45	36.22%
3.	Total value of goods & services procured from only MSEs owned by SC/ST entrepreneurs	89.03	4.61%

33. RISK MANAGEMANT & MITIGATION POLICY

Your company has formulated a Risk Management and Mitigation Policy, which is in the process of implementation.

34. TRAINING SCHEME UNDER INTEGRATED SKILL DEVELOPMENT SCHEME (ISDS) OF GOVT. OF INDIA IN NTC

In the year 2015, the ISDS Training Scheme has been started in 10 working units of NTC to impart training to 5588 persons in MES course. Out of the target of training 5588 people, as on 31.03.2018, 2898 people have been trained.

35. POLICY ON SEXUAL HARASSMENT

As per the guidelines issued by Government / DPE, the Sexual Harassment Committees constituted in NTC and the same is functioning. All employees (Permanent, Contractual, Temporary and Trainees) are covered under this policy.

36. RIGHT TO INFORMATION ACT, 2005

In accordance with the instructions received from the Ministry of Textiles, Government of India, New Delhi, based on the guidelines issued by the Ministry of Personnel, Public Grievances and Pensions, your Corporation has taken action regarding compilation/publishing of manuals, appointments of Central Assistant Public Information Officers, framing the rules for giving effect to the provisions of the Act and internal procedures to streamline the channel for dealing with requests received by each Central Public Information Officer.

During the period from 1st April, 2017 to 31stMarch, 2018, 159 requests were received from different applicants. In all the cases information was made available to the applicant. 28 applicants preferred for the First Appeal before the Appellate Authority and 5 applicants made Second Appeal with Central Information Commission (CIC) and decision in the appeal was in favour of your Corporation.

The Quarterly Report of RTI is being uploaded regularly on the website of the Corporation as well as on the website of Central Information Commission (CIC) as instructed by the Ministry of Textiles vide its letter dated 8th June, 2011.

37. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors hereby confirm:

I. That in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.

II. They have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profits of the Company for that period.

III. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

IV. They have prepared the annual accounts on a going concern basis.

V. They have laid down internal financial controls for the Company and such internal financial controls are adequate and operating effectively.

VI. They have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

38. ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation for the cooperation and support extended by Ministry of Textiles, the State Governments, Comptroller& Auditor General of India, Internal Auditors, Branch Auditors, Cost Auditors, Bankers, Financial Institutions and valued customers. Directors gratefully acknowledge valuable suggestions and guidance given by the Statutory Auditors - M/s. Tiwari & Associates, Chartered Accountants, New Delhi.

Directors also thank all the officers, employees and workers for their whole hearted support and co-operation.

For and on behalf of the Board

Sd/-

(Sanjay Rastogi)
Chairman & Managing Director

Place: New Delhi
Dated: **25th September, 2018**

Annexure - I

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

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

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹ In Lakhs)

Name of Subsidiary	Apollo Design Apparel Parks Ltd.	Goldmohar Design & Apparel Parks Ltd.	India United Textile Mills Ltd.	New City of Bombay Mfg. Mills Ltd.	Aurangabad Textile & Apparel Parks Ltd.
Reporting period for the subsidiary concerned	**31.03.2018**	**31.03.2018**	**31.03.2018**	**31.03.2018**	**31.03.2018**
Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	NA	NA	NA	NA	NA
Share Capital	565.00	585.00	1,271.10	917.00	208.00
Reserves & Surplus	10,665.77	10,304.07	14,794.18	6,035.37	1,348.91
Total Assets	12,138.47	13,065.20	22,195.83	9,820.52	1,585.89
Total Liabilities	901.10	2,152.50	6,130.55	2,868.15	28.98
Investment	-	-	-	-	-
Turnover	30,565.74	32,019.81	38,326.83	3,610.60	64.06
Profit before Taxation	1,287.41	1,257.44	1,228.93	(42.11)	(67.34)
Provision for Taxation	445.60	448.52	445.72	(8.61)	(2.55)
Profit after Taxation	843.73	816.34	786.67	(33.54)	(64.31)
Proposed Dividend (NTC Share)	158.48	164.09	324.13	-	-
% of shareholding	51%	51%	51%	51%	51%

Note :-

NTC is having 17,18,344 shares (97.91%) in Swadeshi Mining & Manufacturing Limited but the accounts of this subsidiary company could not be consolidated due to non finalization of accounts since 1999-2000. The company was under liquidation and the matter is still sub-judice.

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures Name of Associates/Joint Ventures

(Information in respect of each Associate/Joint Venture to be presented with amounts in ₹ In Lakhs)

Name of Associates / Joint ventures	Swadeshi Polytex Limited
1. Latest audited Balance Sheet Date	31.03.2018
2. Share of Associate/Joint Ventures held by the company on the year end	
No. of Shares	13,11,750
Amount of Investment in Associates/Joint Venture	145.42
Extend of Holding %	33.63%
3. Description of how there is significant influence	33.63% shareholder
4. Reason why the associate/Joint venture is not consolidated	Not Applicable
5. Net Worth attributable to Shareholding as per latest audited Balance Sheet	Negative
6. Profit / Loss for the year	-42.04
i. Considered in Consolidation	-14.14
i. Not Considered in Consolidation	-27.90

Annexure - II

NITYANAND SINGH & CO.
COMPANY SECRETARIES
Estabilshed in 1995

Form No. MR-3

SECRETARIAL AUDIT REPORT

For the Financial Year Ended 31st March 2017

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

To,

The Members,
National Textile Corporation Limited
Scope Complex, Core IV, 7, Lodhi Road
New Delhi-110003, India

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. National Textiles Corporation Limited (hereinafter called "the Company").** Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

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

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2018 according to the provisions of:

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

We have also examined compliance with the applicable clauses of the Secretarial Standards-1 & Secretarial Standards-2 formulated and issued by the Institute of Company Secretaries of India (ICSI) and notified by the Central Government.

HO: 14, Second Floor, Arjun Nagar, Safdarjung Enclave, New Delhi - 110 029 | T : 011-26713700/4700
BO: 73, GF, Amberhai Extension-1, Dwarka Sector-19, New Delhi-110075 | T: 011-42430736
E: officenns@gmail.com | Info@nnsandco.com | W: www.nnsandco.com

We report that during the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. subject to the following observations/ comments:

1. *The Company was required to appoint the Cost Auditor under Section 148 read with Rule 6(1) of the Companies (Cost Records and Audit) Rules, 2014, within one hundred and eighty days of the commencement of every financial year and file a notice of appointment of Cost Auditor in e-form CRA-2 under Section 148 read with Rule 6(2) of the Companies (Cost Records and Audit) Rules, 2014 within a period of 30 days of the Board Meeting in which such appointment is made or within a period of one hundred and eighty days of Commencement of the financial years, whichever is earlier; however the Company appointed the same through resolution by circulation dated 28.09.2017, resulting delay in appointment of Cost auditor by one (1) day and filed the same on 29.09.2017 resulting in a delay of two (2) days. It was explained to us that the matter could not be approved in first instance when placed before the board on 14.09.2017, however the same was later approved through resolution by circulation dated 28.09.2017*

We further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors and the changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
2. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
3. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.
4. There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period there has been no instances of:

(i) Public/Right/Preferential issue of shares/debentures/sweat equity shares etc.

(ii) Redemption / buy-back of securities

(iii) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013

(iv) Merger / amalgamation / reconstruction, etc.

(v) Foreign technical collaborations

For Nityanand Singh & Co.
Company Secretaries

Nityanand Singh (Prop.)
FCS No.: 2668/ C.P No.: 2388

Place: New Delhi
Date: 05.09.2018

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

Annexure -A

To,

The Members,

National Textile Corporation Limited

Scope Complex Core IV7 Lodhi Road

New Delhi-110003, India

Our report of even date is to be read along with this letter.

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

For Nityanand Singh & Co.,
Company Secretaries

Nityanand Singh (Prop.)
FCS No.: 2668/ CP No. : 2388

Place: New Delhi
Date: 05.09.2018

Annexure - III

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31.03.2018

of

National Textile Corporation Limited

[Pursuant to Section 92(3) *of the Companies Act, 2013*

and

Rule 12(1) of the Companies (Mgt. and Administration) Rules, 2014]

I) REGISTRATION & OTHER DETAILS

i	CIN	U74899DL1968GOI004866
ii	Registration Date	01.04.1968
iii	Name of the Company	NATIONAL TEXTILE CORPORATION LTD.
iv	Category/Sub-category of the Company	Public / Govt. Company
v	Address of the Registered office & contact details	SCOPE COMPLEX, COREIV, 7 LODHI ROAD, NEW DELHI INDIA 110003
vi	Whether listed company	NO
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	Not Applicable

II) PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Spinning, Weaving and finishing of textiles	131	100%

III) PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

Sl No	Name & Address of the Company	CIN/GLN	Holding/ Ubsidiary / Associate	% of Shares Held	Applicable Section
1	Apollo Design & Apparel Parks Ltd.	U17291MH2007GOI195397	Subsidiary	51	2(87)
2	Aurangabad Textile & Apparel Parks Ltd.	U17121MH2007GOI195403	Subsidiary	51	2(87)
3	Goldmohur Design & Apparel Parks Ltd.	U17291MH2007GOI195402	Subsidiary	51	2(87)
4	India United Textile Mills Ltd.	U17291MH2007GOI195489	Subsidiary	51	2(87)
5	New City of Bombay Mfg. Mills Ltd.	U17291MH2007GOI195493	Subsidiary	51	2(87)
6	Swadeshi Mininig & Manufacturing Limited	U17111UP1943PLC003932	Subsidiary	97.91	2(87)
7	Swadeshi Polytex Ltd.	L25209UP1970PLC003320	Associate	33.63	2(6)

IV) SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

(i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year			% of Total Shares	No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total		Demat	Physical	Total	% of Total Shares	
A. Promoters									
1. Indian									
a) Individual/HUF									
b) Central Govt.	Nil	30548819	30548819	99.762	Nil	30548819	30548819	99.762	Nil
c) State Govts.	Nil	72782	72782	0.238	Nil	72782	72782	0.238	Nil
d) Bodies Corporates									
e) Bank/FI									
f) Any other									
Sub Total (A) (1)									
2. Foreign									
a) NRI- Individuals									
b) Other Individuals									
c) Bodies Corp.									
d) Banks/FI									
e) Any other…									
Sub Total (A) (2)									
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	**Nil**	30621601	30621601	100	Nil	30621601	30621601	100	Nil

Category of Shareholders	No. of Shares held at the beginning of the year			% of Total Shares	No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total		Demat	Physical	Total	% of Total Shares	
B. Public Shareholding	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
1. Institutions									
a) Mutual Funds									
b) Banks/FI									
c) Cenntral govt									
d) State Govt.									
e) Venture Capital Fund									
f) Insurance Companies									
g) FIIS									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub Total (B)(1):	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**
2. Non Institutions	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
a) Bodies corporates									
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹1 lakhs									
ii) Individuals shareholders holding nominal share capital in excess of ₹1 lakhs									
c) Others (specify)									
Sub Total (B)(2):	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**
Total Public Shareholding (B)= (B)(1)+(B)(2)	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	**Nil**	**30621601**	**30621601**	**100**	**Nil**	**30621601**	**30621601**	**100**	**Nil**

ii) Shareholding of Promoters

SN	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	The President of India	30548819	99.762	Nil	30548819	99.762	NIl	Nil
2*	Shri J.K. Dadoo, AS&FA, Ministry of Textiles, New Delhi	1		Nil	0			Nil
3*	Dr. Subhash Chandra Pandey, Special Secretary, Ministry of Textiles, New Delhi	0		Nil	1			0.0
4#	Shri A. Madhukumar Reddy, Joint Secretary, Ministry of Textiles, New Delhi	1		Nil	1			0.0
5	Shri S.R. Gaikwad, Director, Ministry of Textiles, New Delhi	1		Nil	1			Nil
6	Shri A. K. Sharma, Dy. Secretary (IFW), Ministry of Textiles, New Delhi	1		Nil	1			Nil
7	Smt. Neelam S. Kumar, CCA, Ministry of Textiles, New Delhi	1		Nil	1			Nil
8	Shri Ram Singh, Director, Ministry of Textiles, New Delhi	1		Nil	1			Nil
9	The Governor, State Govt. of Uttar Pradesh	16928	0.055	Nil	16928	0.055		Nil
10	The Governor, State Govt. of Orissa	800	0.003	Nil	800	0.003		Nil
11	The Governor, State Govt. of West Bengal	24600	0.080	Nil	24600	0.080		Nil
12	The Governor, State Govt. of Bihar	2668	0.009	Nil	2668	0.009		Nil
13	The Governor, State Govt. of Karnataka	9450	0.030	Nil	9450	0.030		Nil
14	The Governor, Govt. of Andhra Pradesh	2397	0.008	Nil	2397	0.008		Nil
15	The Lt. Governor, Govt. of Puducherry	500	0.002	Nil	500	0.002		Nil
16	The Lt. Governor, Govt. NCT of Delhi	8348	0.027	Nil	8348	0.027		Nil
17	The Governor, Govt. of Rajasthan	4585	0.015	Nil	4585	0.015		Nil
18	The Governor, Govt. of Punjab	2500	0.008	Nil	2500	0.008		Nil
	Total	**30621601**	**100**	**Nil**	**30621601**	**100**		**Nil**

*1 no. of Share was transferred from Shri J.K. Dadoo to Dr. Subhash Chandra Pandey w.e.f. 15.02.2018.
Ceased to be director w.e.f. 01.05.2018

iii) **Change in Promoters' Shareholding (please specify, if there is no change) – No Change**

SN		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	Nil	Nil	Nil	Nil
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
3	At the end of the year	Nil	Nil	Nil	Nil

iv) **Shareholding Pattern of top ten Shareholders:**

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

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year				
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):		**NOT APPLICABLE**		
3	At the end of the year				

v) ***Shareholding of Directors and Key Managerial Personnel:***

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year				
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):		Nil		
3	At the end of the year				

V) INDEBTEDNESS

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

(₹ In Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	449.17	27075.45	11294.87	38819.49
ii) Interest due but not paid	-	39700.03	-	39700.03
iii) Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	**449.17**	**66775.48**	**11294.87**	**78519.52**
Change in Indebtedness during the financial year				
• Addition	-	4683.75	-	4683.75
• Reduction	94.23	-	9983.86	10078.09
Net Change	**(94.23)**	**4683.75**	**(9983.86)**	**(5394.34)**
Indebtedness at the end of the financial year				
i) Principal Amount	354.94	27075.45	1311.01	28741.40
ii) Interest due but not paid	-	44383.78	-	44383.78
iii) Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	**354.94**	**71159.23**	**1311.01**	**73125.18**

VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

1. Shri P.C. Vaish (CMD)#

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager Shri P.C. Vaish (CMD)				Total Amount in ₹
		-----	----	----	---	
1	Gross salary					
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961					23,51,668
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961					*4,00,296
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961					
2	Stock Option					
3	Sweat Equity					
4	Commission - as % of profit - others, specify…					
5	Others, please specify					
	Total (A)					**27,51,964**
	Ceiling as per the Act					NA

*Over exempted Medical Reimbursement of ₹ 15,000.
ceased to be CMD w.e.f 18.12.2017

2. **Shri Sarvepalli Srinivas (CMD-Additional Charge, hence no remuneration paid)#**

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager Shri Sarvepalli Srinivas (CMD)				Total Amount in ₹
		-----	----	----	---	
1	Gross salary					
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961					-
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961					-
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961					
2	Stock Option					
3	Sweat Equity					
4	Commission - as % of profit - others, specify…					
5	Others, please specify					
	Total (A)					**-**
	Ceiling as per the Act					NA

#ceased to be CMD w.e.f 31.05.2018

3. **Shri R.K. Sinha, Director (HR)***

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager Shri R.K. Sinha, Director (HR)				Total Amount in ₹
		-----	----	----	---	
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961					30,42,972
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961					*5,42,970
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961					-
2	Stock Option					-
3	Sweat Equity					-
4	Commission - as % of profit - others, specify…					-
5	Others, please specify					-
	Total (A)					**35,85,942**
	Ceiling as per the Act					NA

*Over exempted Medical Reimbursement of ₹ 15000.

4. **Shri Alokendra Banerjee, Director (Mktg.)****

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager Shri Alokendra Banerjee, Director (Mktg.)				Total Amount in ₹
		-----	----	----	---	
1	Gross salary					
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961					-
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961					-
	c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961					-
2	Stock Option					-
3	Sweat Equity					-
4	Commission - as % of profit - others, specify…					-
5	Others, please specify					-
	Total (A)					**-**
	Ceiling as per the Act					NA

** Ceased to be Director w.e.f 05.05.2017

5. **Dr. Anil Gupta, Director (Finance)**

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager Dr. Anil Gupta, Director (Finance)				Total Amount in ₹
		-----	----	----	---	
1	Gross salary					
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961					20,87,893
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961					*5,35,019
	c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961					-
2	Stock Option					-
3	Sweat Equity					-
4	Commission - as % of profit - others, specify…					-
5	Others, please specify					-
	Total (A)					**26,22,912**
	Ceiling as per the Act					NA

*Over exempted Medical Reimbursement of ₹ 15000.

B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors			Total Amount in ₹
1	Independent Directors	**Shri Anil B. Joshi**	**Shri Devendra Daga**	**Smt. Anita Agarwal**	
	Fee for attending board/committee meetings	2,16,000	1,92,000	1,80,000	5,88,000
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)	**2,16,000**	**1,92,000**	**1,80,000**	**5,88,000**
2	Other Non-Executive Directors	-	-	-	-
	Fee for attending board/committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)		-	-	-
	Total (B)=(1+2)	-	-	-	-
	Total Managerial Remuneration	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	NA

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

(in ₹)

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO*	**Company Secretary Shri Pankaj Agarwal**	**CFO****	**Total**
1	Gross salary				
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	20,78,289	-	20,78,289
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961		***1,21,594		1,21,594
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		-		
2	Stock Option		-		
3	Sweat Equity		-		
4	Commission		-		
	- as % of profit		-		
	others, specify…		-		
5	Others, please specify				
	Total		**21,99,883**		**21,99,883**

*CMD, Sh. P.C. Vaish, being CEO for the purpose of KMP upto 18.12.2017, the remuneration details are not repeated in the above table as details are already given in point no. (VI)A

** Director (Finance) being CFO for the purpose of KMP, the remuneration details already given in point no. (VI)A, hence not repeated.

***Over exempted Medical Reimbursement of ₹ 15000.

VII) PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

Annexure - IV

REPORT ON CORPORATE GOVERNANCE

1. Company's Philosophy:

Corporate Governance is for ensuring values, ethical business conduct, transparency, disclosures as per laws, rules and guidelines. National Textile Corporation Limited (NTC) is committed to observe Corporate Governance practices at different levels and to achieve its objectives.

2. Board of Directors:

2.1 Size of the Board:

National Textile Corporation is a Government Company within the meaning of section 2(45) of the Companies Act, 2013. As per Articles of Association, the power to appoint Directors vests with the President of India. The Chairman shall be appointed by the President and the terms and conditions of his appointment shall be determined by the President. However, in addition to the Chairman, the President shall also appoint Managing Director, whole time Functional Directors and other Directors in consultation with the Chairman who shall not be liable to retire by rotation. No consultation will be necessary in case of Directors representing the Government.

In terms of the Article of the Company, the number of Directors of the Company shall not be less than seven and not more than fourteen. These Directors may be either whole time functional Directors or part time Directors.

2.2 Composition of Board:

As on 31st March, 2018, the Board of Directors comprised of a Chairman & Managing Director, 2 other Functional Directors, 2 Non-Executive Directors (Government Nominees) and 3 Part-time Independent Directors.

2.3 Board Meetings:

During the year Seven (7) Board Meetings were held on 28.06.2017, 14.09.2017, 25.09.2017, 23.10.2017, 24.01.2018, 15.02.2018 and 08.03.2018

Details of number of Board Meetings attended by Directors, attendance at the last Annual General meeting, number of other Directorships etc. during the year 2017-18 are as follows :-

Sl. No.	Name of the Directors	Category of Directorship	No. of Board Meetings Attended During 2017-18	Attended the last AGM	No. of other Directorships as on 31.03.2018 / during tenure
1*	Sh.P.C. Vaish	C & MD.	4	Yes	8#
2*	Sh.Sarvepalli Srinivas	C & MD.	3	NA	5
3	Sh.R.K. Sinha	Dir. (HR)	7	Yes	6
4*	Sh.Alokendra Banerjee	Dir. (Mktg.)	0	NA	6#
5	Dr. Anil Gupta	Dir. (Fin.)	7	Yes	6
6*	Sh. J.K. Dadoo	Govt. Nominee	3	No	6#

Sl. No.	Name of the Directors	Category of Directorship	No. of Board Meetings Attended During 2017-18	Attended the last AGM	No. of other Directorships as on 31.03.2018 / during tenure
7*	Dr. Subhash Chandra Pandey	Govt. Nominee	3	NA	9
8	Sh. A. Madhukumar Reddy	Govt. Nominee	6	No	2
9	Sh.Anil B. Joshi	Independent Director	6	No	0
10	Sh. Devendra Daga	Independent Director	6	No $	4
11	Smt. Anita Agarwal	Independent Director	6	No	0

Sl.No.1(*) Ceased to be Chairman & Managing Director w.e.f. 18.12.2017.

as per last available disclosure.

Sl.No.2(*) Entrustment of the additional charge of the post of Chairman & Managing Director w.e.f. 18.12.2017.

Sl.No.4(*) Ceased to be Director(Marketing) w.e.f. 05.05.2017.

Sl.No.6(*) Ceased to be Govt. Nominee Director w.e.f. 22.01.2018.

Sl.No.7(*) Appointed as Govt. Nominee Director w.e.f. 22.01.2018.

Sl. No. 10($) The Chairman of Audit Committee authorised Director(HR), NTC to attend the AGM on his behalf.

2.4 Information placed before the Board of Directors:

The Board has complete access to any information within the Company. The information regularly supplied to the Board, inter-alia includes the following:-

- Annual operating Plans, Budgets and updates.
- Capital Budget and updates.
- Annual Account, etc.
- Review of progress of ongoing projects including critical issues and areas needing management attention.
- Minutes of the meeting of Audit Committee and other Committees of the Board.
- Quarterly Financial results for the company.
- Operational activities of the Company
- Major investments, formation of subsidiaries and Joint Ventures, etc.
- Disclosure of Interest by Directors about directorship and Committee positions occupied by them in other companies.
- Any significant development in Human Resources/Industrial Relations like Revision of pay wage agreement, etc.
- Short term investment of surplus funds
- Highlights of important events from last meeting to the current meeting.

3. Audit Committee:

(a) Composition:

NTC in pursuance of excellence in corporate governance, formed an Audit Committee of its Board of Directors w.e.f. 28/08/2001 and the Audit Committee as on 31.03.2018, re-constituted by the Board in its 372nd Meeting held on 6th March, 2017, consists of one Govt. Nominee Director, three Independent Directors and one Functional Director. Shri Devendra Daga, Independent Director is the Chairman of the Audit Committee. The Audit Committee consists of following members :-

Sl No.	Name of the Director	Category	Position
1.	Shri Devendra Daga	Independent Director	Chairman
*2.	Shri A. Madhukumar Reddy	Govt. Nominee Director	Member
3.	Shri Anil B. Joshi	Independent Director	Member
4.	Smt..Anita Agarwal	Independent Director	Member
5.	Shri R.K. Sinha	Director (HR)	Member

* Ceased to be director w.e.f. 01.05.2018

Director Finance attends and participates in the Audit Committee Meeting as Special Invitee without having right to vote, as per section 177 of the Companies Act, 2013.

Head of Internal Audit is invited in the Audit Committee meeting. The Statutory Auditors of the Company are invited in the meeting as and when required as per the Act. Company Secretary acts as Secretary to the Committee and Senior Functional executives are also invited as and when required to provide necessary clarifications to the Committee. Internal Audit Department provides necessary support for holding and conducting Audit Committee meetings.

(b) Meeting and Attendance of the Audit Committee:

As against the requirement of 4 meetings of the Audit Committee in a year, the Company could hold 3 meetings only during the financial year 2017-18 i.e. on 21.04.2017, 07.09.2017 and 23.01.2018 resulting into a gap of more than 120 days in two meetings. The details of the Meetings of Audit Committee attended by the members are as under:-

Sl. No.	Name of the Directors	Status	No. of meetings attended
1.	Shri.Devendra Daga	Chairman	3
2.	Shri.A. Madhukumar Reddy	Member	-
3.	Shri Anil B. Joshi	Member	3
4.	Smt. Anita Agarwal	Member	3
5.	Shri R.K. Sinha	Member	3

(c) Powers:

The Audit Committee has powers commensurate with its role including the following:-

1. To investigate any activity within its terms of reference.
2. To seek information on and from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.
5. To protect whistle blowers.

(d) Scope of Audit Committee:-

The scope of the Audit Committee are as follows:-

1. Over-seeing of the Company's financial reporting process and the disclosure of it's financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board the fixation of audit fees.
3. Recommendation to the Board for payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing with the management, the annual financial statements, before submission to the Board for approval, with particular reference to:-
   a) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause of section 134 of the Companies Act, 2013.
   b) Changes, if any, in accounting policies and practices and reason for the same.
   c) Major accounting entries involving estimates based on the exercise of judgement by management.
   d) Significant adjustments made in the financial statements arising out of audit findings.
   e) Compliance with legal requirements relating to financial statements.
   f) Disclosures of any related party transactions; and
   g) Qualification in the drafts audit report.
5. Reviewing with the management, the quarterly financial statements before submission to the Board for approval.
6. Reviewing with the management, performance of internal auditors and adequacy of the internal control systems.
7. Reviewing the adequacy of internal audit function, if any including the structure of the internal audit department, staffing and seniority of the officials heading the department, reporting structure, coverage and frequency of internal audit.
8. Discussion with internal auditor and /or auditors any significant findings and follow up thereon.
9. Reviewing the findings of any internal investigations by the internal auditors/auditors/agencies into matters where there is suspected fraud or irregularity or a failure of internal control system of a material nature and reporting the matter to the Board.
10. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
11. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
12. Reviewing the functioning of the Whistle Blower Mechanism.
13. Reviewing the follow up action on the audit observation of the C&AG Audit.
14. Reviewing the follow up action taken on the recommendations of Committee on Public Undertakings (COPU) of the Parliament.

15. Providing an open avenue of communication between the independent auditors, internal auditors and the Board of Directors.
16. Reviewing all related party transactions in the company. For this purpose, the Audit Committee may designate a member who shall be responsible for re-viewing related party transactions.
17. Reviewing with the independent auditor the co-ordination of audit efforts to ensure completeness of coverage, reduction of redundant efforts, and the effective use of all audit resources.
18. Considering and reviewing the following with the independent auditor and the management:-
    - The adequacy of internal controls including computerised Information System Controls and security and
    - Related findings and recommendations of the independent auditor and internal auditors together with the management responses.
19. Considering and reviewing the following with the management, internal auditor and the independent auditor:-
    - Significant findings during the year, including the status of previous audit recommendations
    - Any difficulties encountered during audit work including any restrictions on the scope of activities or access to required information.
20. Carrying out any other function as is mentioned in terms of the reference of the Audit Committee.

4. (a) H. R. Sub Committee:

A H.R. Sub-Committee was constituted by the Board of Directors of NTC in it's 318th meeting held on 12th June, 2009. The present H.R. Sub-Committee re-constituted by the Board in its 372nd meeting held on 6th March 2017 consists of following members.

Sl. No.	Name of the Directors	Status	
1.	Smt. Anita Agarwal	Independent Director	Chairperson
*2.	Shri A. Madhukumar Reddy	Govt. Nominee Director	Member
3	Shri Anil B. Joshi	Independent Director	Member
4.	Shri Devendra Daga	Independent Director	Member

*Ceased to be director w.e.f. 01.05.2018.

The Committee has been constituted to prepare a personnel/HR policy for the company, discuss other important H/R matters and give its recommendations to the Board.

4. (b) Marketing Sub Committee:

A Marketing Sub-Committee was constituted by the Board of Directors of NTC in its 340th meeting held on 22/05/2013 and the Marketing Sub-Committee as on 31.03.2018, re-constituted by the Board in its 379th meeting held on 8th March 2018 consists of following members:

Sl. No.	Name of the Directors	Status	
1.	Shri Anil B. Joshi	Independent Director	Chairman
2. *	Shri A. Madhukumar Reddy	Govt. Nominee Director	Member
3.	Smt. Anita Agarwal	Independent Director	Member
4.	Shri Devendra Daga	Independent Director	Member
5.	Dr. Anil Gupta	Director (Finance)	Member
6.	Shri. M.M.Chokalingam	Director(Marketing), CCI	Member

* Ceased to be director w.e.f. 01.05.2018

The Committee has been constituted to take forward the various marketing initiatives and present the same before the Board. The scope of Sub Committee is to hold periodic meetings to discuss various ongoing marketing activities for the company and other important marketing matters and give its recommendations to the Board.

4. (c) CSR Committee :

A Corporate Social Responsibility (CSR) Committee was constituted by the Board of Directors of NTC in its 344th meeting held on 18/12/2013 and the present CSR Committee re-constituted by the Board in its 379th meeting held on 8th March 2018 consists of following members:

S. No.	Name of the Directors	Status	
1.	Smt. Anita Agarwal,	Independent Director	Chairperson
2.	Shri Anil B. Joshi	Independent Director	Member
3.	Shri Devendra Daga	Independent Director	Member
4.	Dr. Anil Gupta	Director (Finance)	Member

The Committee has been constituted to oversee the implementation of CSR and sustainability activities / projects in the Company.

4. (d) Legal Sub Committee :

A Legal Sub-Committee was constituted by the Board of Directors of NTC in its 372nd meeting held on 6th March 2017. As on 31st March, 2018 the Legal Sub Committee consists of following members:.

Sl. No.	Name of the Directors	Position in Committee
1.	Smt. Anita Agarwal, Independent Director	Chairperson
2.	Chairman & Managing Director	Member
3	Shri R. K. Sinha, Director (HR)	Member

The Committee has been constituted inter-alia to review all legal cases and to look into the performance of the advocates.

5. Remuneration of Directors :

The remuneration of the Functional Directors is decided by the Government of India. Sitting Fee payable to the Independent Director is fixed by Board of Directors of NTC in pursuance of the DPE guidelines and the Companies Act. The Board had approved the payment of sitting fee of ₹12,000/- for each meeting of the Board and Committees/Sub Committees of the Board, to each Independent Director, subject to applicability of TDS on the same.

Details of remuneration of Functional Directors of the Company paid for the financial year 2017-18.

Sl. No.	Name of the Directors	Salary ₹	Benefits ₹	Total ₹
1	Shri P.C.Vaish*	23,51,668	6,32,910	29,84,578
2	Shri Sarvepalli Srinivas#	-	-	-
3	Shri R.K.Sinha	30,42,972	9,38,413	39,81,385
4	Shri Alokendra Banerjee@	-	-	-
5	Dr. Anil Gupta	20,87,893	9,56,835	30,44,728
	Total	**74,82,533**	**25,28,158**	**100,10,691**

*Ceased to be CMD w.e.f 18.12.2017

Assumed additional charge for the post of CMD w.e.f 18.12.2017 till 31.05.2018.

@ Ceased to be Director(Marketing) w.e.f 05.05.2017.

Details of sitting fee paid to Independent Directors during the financial year 2017-18 are given below:-

Sl. No.	Name of the Independent Directors	Sitting Fees for Board Meetings ₹	Sitting Fees for Committee Meetings ₹	Total ₹
1	Shri Anil B. Joshi	2,16,000	-	2,16,000
2	Shri.Devendra Daga	1,92,000	-	1,92,000
3	Smt. Anita Agarwal	1,80,000	-	1,80,000
	Total	**5,88,000**	**-**	**5,88,000**

6. Accountability of Directors :

Memorandum of Understanding (MOU), a mutually negotiated agreement and contract between the Management of NTC (CPSE) and the MOT (Administrative Ministry/Government of India) is signed before commencement of ensuing financial year, under the guidelines and mechanism laid down by DPE. Under this agreement, NTC undertakes to achieve the targets set in the agreement at the beginning of the year and it is intended to evaluate performance of NTC at the end of the year vis-a-vis the targets fixed in the beginning of the year.

It is done by adopting a system of “five point scale” and “criteria weight” which ultimately results in calculation of ‘composite score’ or an index of the audited performance of the enterprise. The composite score is forwarded to DPE through the administrative ministry viz. MOT by September of the succeeding financial year in line with the guidelines prescribed by DPE for their ratification. The MOU system enables NTC to perform efficiently as there are variety of parameters both financial and non-financial in nature. NTC has been vigorously following this system since 2007, which has helped immensely in fulfilment of its long ranging objectives and aspirations and overall growth over the period. The entire process also ensures transparency as well as accountability towards stakeholders.

7. General Body Meetings :

Date, time and venue of the last 3 Annual General Meetings held are as under:-

Sl. No.	Financial Year	Date	Time	Location
1	2016-17	15.12.2017	3.00 P.M.	Registered Office at Core-IV, Scope Complex, Lodhi Road, New Delhi – 110 003
2	2015-16	30.09.2016	4.00 P.M.	
3	2014-15	18.09.2015	2.30 P.M.	

8. Disclosures :

There were no transactions by the Company of material nature with Promoters, Directors or the Management, their relatives, etc. that may have potential conflict with the interests of Company at large. The Non-Executive Directors had no pecuniary relationships or transactions with the company during the year except receipt of sitting fees for attending meetings of the Board/Board Sub-Committee. None of the Non-Executive Directors held any share of the Company, except two who hold 1 share each, value of ₹1000/- each as Nominee Shareholders of Government of India, without having beneficial interest.

9. Shareholding Pattern of NTC :

As on 31st March, 2018, 99.76% shares of National Textile Corporation Limited are held by the President of India and balance 0.24% are held by various State Governments.

10. Details of Joint Venture/Subsidiary/Associate Companies and its location :

NTC Ltd, at present, is having 7 JVCs/subsidiaries/Associates. The JVCs/ subsidiaries/Associates are located at:

Sl. No.	Name of the JVC/Subsidiary/Associate Company	Location
i	Apollo Design Apparel Parks Ltd.	382, N.M. Joshi Marg, Chinchpokli, Mumbai – 400 011
ii	Goldmohur Design and Apparel Parks Ltd.	Dada Sahib Phalke Road, Dadar (East) Mumbai – 400 014
iii	New City of Bombay Mfg. Mills Ltd.	63, T.B. Kadam Marg, Mumbai - 400 023
iv	Aurangabad Textiles and Apparel Parks Ltd.	Aurangabad Textiles Mills, Kothwalpura, Aurangabad Off. 63, T.B. Kadam Marg, Mumbai - 400 023
v	India United Textile Mill Ltd.	Dr. Ambedkar Road, Lalbaug, Parel, Mumbai – 400 012
vi	Swadeshi Mining and Manufacturing Co. Limited	16/14, Swadeshi House, Civil Lines, Jyotiba Phule Nagar, Kanpur, UP.
vii	Swadeshi Polytex Limited	New Kavi Nagar Industrial Area, Gaziabad, UP – 201002.

11. Code of Conduct :

The Company has introduced the Code of Conduct applicable to the Board Members as well as the Senior Management personnel.

12. The quarterly as well as Annual Grading Report is being submitted regularly to the administrative ministry for onward submission to DPE for giving the final grading in it’s Assessment Report.

Sd/-

Nityanand Singh

Proprietor

FCS No. 2668 CP No. 2388

Annexure-V

NITYANAND SINGH & CO.
COMPANY SECRETARIES
Estabilshed in 1995

Certificate Regarding Compliance of Conditions of Corporate Governance

To,

The Members of **National Textile Corporation Limited**

We have examined the compliance of conditions of Corporate Governance by National Textile Corporation Limited **("the Company")** for the Financial Year ended 31st March 2018, as stipulated in guidelines on Corporate Governance for CPSE's issued by Department of Public Enterprises (DPE).

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has by and large complied with the conditions of the Corporate Governance as stipulated in the above guidelines on Corporate Governance for CPSE's issued by the Department of Public Enterprises (DPE).

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

For **Nityanand Singh & Co.**
Company Secretaries

Sd/-
Nityanand Singh
Proprietor
FCS No. 2668 CP No. 2388

Place: New Delhi
Date : 05.09.2018

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ANNUAL ACCOUNTS (STANDALONE)

lk[;k@**No.:** MAB-II/CAD-I/99-4/2018-19/258

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INDIAN AUDIT & ACCOUNTS DEPARTMENT
OFFICE OF THE DIRECTOR GENERAL OF COMMERCIAL AUDIT & EX-OFFICIO MEMBER, AUDIT BOARD-II, NEW DELHI

fnukad@**DATE : ......12 - 10 - 2018......**

सेवा में,

अध्यक्ष एवं प्रबंधक निदेशक,
नेशनल टेक्सटाइल कॉरपोरेशन लिमिटेड,
कोर – 4, स्कोप कॉम्पलैक्स,
7–लोदी रोड,
नई दिल्ली – 110003

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महोदय,

मैं कम्पनी अधिनियम 2013 की धारा 143 (6) (b) के अधीन 31 मार्च 2018 को समाप्त वर्ष के लिए नेशनल टेक्सटाइल कॉरपोरेशन लिमिटेड, के वार्षिक लेखों पर भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ अग्रेषित करती हूँ। इन टिप्पणियों को कम्पनी की वार्षिक रिपोर्ट में प्रकाशित किया जाए।

भवदीया,

¼uUnuk eq'kh½
महानिदेशक वाणिज्यिक लेखा परीक्षा
एवं पदेन सदस्य, लेखा परीक्षा बोर्ड – II
नई दिल्ली

layXud % ;Fkksifj

4th & 5th Floor, Annexe Building, CAG Office, 10, Bahadur Shah Zafar Marg, New Delhi - 110002
Tel. : 011-23239433 E-mail : mabnewdelhi2@cag.gov.in

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE STANDALONE FINANCIAL STATEMENTS OF NATIONAL TEXTILE CORPORATION LIMITED FOR THE YEAR ENDED 31 MARCH 2018.

The preparation of financial statements of National Textile Corporation Limited for the year ended 31 March 2018 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 09 August 2018.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143(6) (a) of the Act of the financial statements of National Textile Corporation Limited for the year ended 31 March 2018. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the Statutory Auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditor's report under section 143 (6) (b) of the Act.

For and on the behalf of the
Comptroller & Auditor General of India

N. Munshi

(Nandana Munshi)
Director General of Commercial Audit
& Ex-officio Member, Audit Board-II
New Delhi

Place: New Delhi
Date: 12.10.2018

INDEPENDENT AUDITOR'S REPORT

To the Members of National Textile Corporation Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **National Textiles Corporation Limited** (herein referred to as **'the Company'**), which comprise the balance sheet as at 31st March 2018, the statement of profit and loss including other comprehensive income, the statement of cash flows and the statement of changes in equity for the year ended and a summary of significant accounting policies and other explanatory information in which, is incorporated Ind AS financial statements of seven regional offices/sub-offices, audited by the branch auditors, whose reports have been considered in preparing this report.

Management's Responsibility for the Standalone Ind AS Financial Statements

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

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31 March, 2018, and its Loss (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Emphasis of Matter

We draw attention to:

a) Title Deeds of Properties not available and pending for transfer as ownership is in dispute. (Refer Note No. 33.17)

b) Properties & Assets are under unauthorized occupation. (Refer Note No. 33.18), Pending disputes with regard to freehold/ leasehold lands. (Refer Note No. 33.19)

c) *Advance against sale of Assets pending court decisions/ registration/ possession (Refer Note No. 33.21) and other property matters (Refer Note No. 33.22*)

d) Pending confirmations from Trade Receivables, Other Current Assets etc. *(Refer Note No. 33.35(a))*

Our opinion is not qualified in respect of these matters.

Other Matter

We did not audit the financial statements of seven regional offices/ sub offices included in the standalone financial statements of the Company, which constitute total assets of ₹298522.37 lacs and total revenue of ₹113850.54 lacs for the year ended date. These financial statements and other financial information have been audited by branch auditors whose reports have been furnished to us and have been considered in preparing this report after making such adjustments as considered necessary by us. Our opinion on the standards financial statements to the extent they have been derived from such financial statements is based on the report of branch auditors.

Report on Other Legal and Regulatory Requirements

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

2. As required under section 143(5) of the Companies Act 2013, we give a statement on the Directions issued by the Comptroller and Auditor General of India after complying with the suggested methodology of audit, the action taken thereon and its impact on the accounts and financial statements of the company.

3. 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 the law have been kept by the Company so far as it appears from our examination of those books and from the audit reports of the Regional Offices/ Sub Offices.

(c) The Balance Sheet, statement of Profit & Loss, the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the audited statements of accounts from the Regional Offices/ Sub Offices.

(d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with relevant rule issued there under.

(e) In pursuance to the Notification No. G.S.R 463(E) dated 05-06-2015 issued by the Ministry of Corporate affairs, Section 164(2) of the Companies Act, 2013 pertaining to disqualification of Directors, is not applicable to the Government Company.

(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 B".**

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

i) The company has disclosed the impact of pending litigations, wherever quantifiable on its financial position in its standalone Ind AS Financial Statements. Refer Note 33.01 to the Ind AS financial statements.

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

iii) There was no amount which was required to be transferred to the Investor Education and Protection Fund by Company.

For Tiwari & Associates
CHARTERED ACCOUNTANTS
Firm Registration No.: 002870N

Sd/-
(Sandeep Sandill)
Partner
Membership Number 085747

Place: New Delhi
Date: 09.08.2018

"ANNEXURE A" TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph (1) of the Independent Auditor's Report to the Members of National Textile Corporation Limited on the financial statements for the year ended 31st March, 2018

(i) In respect of fixed assets:

(a) The company have maintained proper records to show full particulars including quantitative details and situation of Fixed Assets, except in regard to:

- *In respect of Vijaya Mohini Mills, the exact location of assets not mentioned in the available records.*
- *Item wise cost and depreciation of assets as on 01.04.1974 are not available in Closed Mills in Gujarat as reported by Sub Office Gujarat Auditors.*
- *Fixed Asset Register have not been updated in RMD Patna and Sub Office, Kanpur.*

(b) As explained to us, the Company has a programme of physically verifying all its fixed assets in a phased manner, which in our opinion is reasonable having regard to the size of the Company and the nature of its fixed assets. In accordance with this programme, a portion of the fixed assets were physically verified by the management during the year. The discrepancies noticed on such verification between the physical balances and the fixed assets records were not material and have been properly dealt with in the books of account. *However, no physical verification was carried out in respect of lands, buildings, bungalows, staff quarters and chawls which are in the possession of third parties or illegal occupants and verification not done in Western Region Mumbai and Sub Office Uttar Pradesh, Kanpur as reported by respective Auditors. In case of Coimbatore Spinning & Weaving Mills, Physical verification not done.*

(c) The title deeds of immovable properties are held in the name of the respective units/ in the name of the Company, except the following:

- *In the case of Kerala Lakshmi Mills, 4.8 acres of land has been encroached, In case of Cambodia Mills, Coimbatore Spinning & Weaving Mills, Kaleeswarar Mills B Unit & Parvathi Mills, Original title deeds not held.*
- *In the case of BNC Mills, Rajnandgaon and IMU Mills Indore as reported by Sub Office Indore, in case of Arati Cotton Mills, Associate Industries (Assam), Luxminarayan Cotton Mills and Sodepur Cotton Mills as reported by Sub Office Indore's Auditors.*
- *In case of RNM-1 unit as reported by Sub Office Ahmadabad's Auditors.*
- *In 14 freehold cases, 8 leasehold cases and in case of Seksaria Cotton Mills Ltd- title is in dispute as reported by Western Region, Mumbai's Auditors.*
- *Two flats in Mumbai, of 92 Sq. mtr. & 76 Sq. mtr. Are not in the name of company dispute as reported by Western Region, Mumbai's Auditors.*
- *In two cases title is in dispute as reported by Sub Office Delhi's Auditor.*
- *In respect of the title deed of land of Muir Mills, Kanpur, no confirmation has been made availablefrom State Bank of India, which is in their possession since the pre nationalization period.*

(ii) In respect of Inventories:

The Inventories have been physically verified by the management at reasonable intervals and no material discrepancies were noticed except the following:

(a) *In case of RMD Kolkata, the unit has recovered the shortage found in the physical verification from respective employees engaged in Godown / Showroom of ₹2,85,987/-*

(b) *In case of RMD Bhubneshwar, as per report of physical verification of stock as on 31.03.2018, it has been noted that the physical verification could not conducted at Angul Showroom of RMD, Bhubneshwar.*

(iii) In respect of loans and Advances granted:

According to the information and explanations given to us, The company has not granted any loan secured and unsecured, to companies, firms or other parties covered in register maintained under section 189 of the Companies Act. Therefore clauses (iii)(a), (iii)(b) & (iii)(c) of paragraph of 3 of the order not applicable to the company.

(iv) In respect of Loans, Investments, Guarantees & Security:

According to the information & explanation given to us, the Company has not granted any loans, investments or given guarantees/ security under the provision of section 185 and 186 of the Companies Act 2013. Therefore the provisions of paragraph 3(iv) of the order are not applicable to the Company.

(v) In respect of Deposits accepted:

The Company has not accepted any deposits from the public within the meaning of sections 73 to 76 or any other relevant provisions of the Companies Act,2013.

(vi) In respect of Cost Records:

Branch Auditors have broadly reviewed the books of accounts maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under Sub Section (1) of Section 148 of the Companies Act,2013, and are of the opinion that, prime facia, the prescribed accounts and records have been made and maintained, *except No cost records have been maintained at any of the mills under Sub-Office Kanpur.*

(vii) In respect of Statutory Dues:

(a) According to the information and explanation given to us and the records of the Company examined by us, in our opinion, except for dues given below, the Company is generally regular in depositing undisputed statutory dues, including Provident Fund, Employees State Insurance, Sales Tax, Service tax, Excise duty and Cess and other material statutory dues, as applicable, with the appropriate authorities. The extent of the arrears of the statutory dues outstanding as at 31st March, 2018 for a period of more than six months from the date they became payable are as follows:

Name of the Statute	Nature of The Dues	Amount (₹ in Lacs)	Period to which the amount relates
The Employees' Provident Funds and Miscellaneous Provisions Act, 1952	PF Contribution related to Pre Nationalization period & PF Liquidated Damages	7.28	NA
Local Acts of various States	Water Tax	140.51	NA
	Municipal Tax	136.08	NA
Income Tax Act , 1961	TDS	0.11	NA

Information in respect of period for which the dues relate and due date has not been made available to us in some cases.

(b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of disputed dues on account of income tax, sales tax, excise duty, service tax and other statutory dues that have not been deposited as at 31st March, 2018 by the Company on account of a dispute are as follows:

Name of the Statute	Nature of the Dues	Amount (₹ in Lacs)	Period to which the amount relates	Forum where dispute is pending/Remarks
Central Excise Act, 1944	Excise Duty	520.34	NA	Appellate Authorities at various level of central excise Department, under appeal at Appellate Tribunal
ESI Act , 1948	ESI	706.40	NA	Court case for terminated employees, ESI Court
	Post Take over & post Nationalization damages ESIC	1,343.60	NA	Regional Deputy Director ESIC & ESI Court
The Employees' Provident Funds and Miscellaneous Provisions Act, 1952	Provident Fund (includes ₹ 30.25 Lacs relating to Head office)	32.67	2006-07 to 2009-10 (Head office)	Court case for terminated employees, Appellate Tribunal, Kerala High Court
	Penalty & Damages of PF	1,022.27	NA	Regional Provident Fund Commissioner, Provident Fund Commissioner
	Post Take over & post Nationalization damages PF	6,112.02	NA	Central Provident Fund Commissioner
Customs Act, 1962	Custom Duty	261.03	NA	Appellate Tribunal
Central Sales Tax Act and Sales Tax Act of various States	Sales Tax	5,266.19	NA	Pending Appeal, Appellate Authorities of Sales Tax Department
	CST		NA	Chennai High Court
	VAT		NA	Chennai High Court
	UP Trade Tax	75.19	NA	Appeal pending with Appellate Authority
	Entry Tax	2.77	NA	Additional Appellate Assistant Commissioner
Local Acts of various States	Property Tax	23.23	NA	Tax Board of Rajasthan , Municipal Corporation
	Municipal Corporation Dues	27.29	NA	Local Authorities
	Professional Tax	16.56	NA	Professional Tax Authorities
Income Tax Act, 1961	Pre BIFR Scheme	39831.06	Various Years	As per BIFR sanctioned scheme amount is not payable
	Post BIFR Scheme	2.17	Various Years	Amount not paid as refund/ TDS recoverable is ₹748.49 lacs.
Income Tax Act, 1961	Gratuity	13.23	NA	Hon'ble Supreme Court

Information in respect of period for which the dues relate has not been made available to us in many cases.

(viii) In respect of Repayment of loans:

According to the information and explanations, the Company SRO's, Kaleeswarar Mills and Somasundaram Mills has defaulted in payment of interest on Cash Credit Accounts to State Bank of Mysore by an amount of ₹ 75.45 Lacs in previous years. The SRO has submitted application of Waiver of entire interest. (Refer Note no. 33.35(e)).

(ix) In respect of Public Offer:

According to the records of the Company examined by us and the information and explanation given to us, no money was raised by way of initial public offer or further public offer and the company has not taken any term loans during the year. Accordingly, the provisions of paragraph 3 (ix) of the Order are not applicable to the Company.

(x) In respect of Frauds:

During the course of 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 on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management .

(xi) In respect of Managerial Remuneration:

According to the information and explanations given to us and based on our examination of the records of the Company, the Company has neither paid nor provided for any managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013 during the financial year. Accordingly, the provisions of paragraph 3(xi) of the said Order are not applicable.

(xii) In respect of Nidhi Companies

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

(xiii) In respect of Related Party Transactions

As per notification no. G.S.R. 463(E) dated June 5, 2015, the Government companies are exempted from the provisions of section 188 of the Act in respect of contracts or arrangements entered into between the Government companies. The Company has compiled with the provisions of section 177 and section 188 of the Act in respect of transactions with the related parties and the details have been disclosed in the standalone Ind AS financial statements as required by the applicable Indian Accounting Standards.

(xiv) In respect of Preferential allotment or Private Placement of Shares/Convertible Debenture

According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions of paragraph 3(xiv) of the Order are not applicable to the Company.

(xv) In respect of Non Cash Transactions

According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of paragraph 3(xv) of the Order are not applicable to the Company.

(xvi) In respect of NBFC Regulation

The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, provisions of paragraph 3(xvi) of the Order are not applicable to the Company.

For Tiwari & Associates
CHARTERED ACCOUNTANTS
Firm Registration No.: 002870N

Sd/-
(Sandeep Sandill)
Partner
Membership Number 085747

Place: New Delhi
Date: 09.08.2018

Annexure - "B" TO THE INDEPENDENT AUDITORS' REPORT REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("the ACT")

We have audited the internal financial controls over financial reporting of M/s **National Textile Corporation Limited**, Scope Complex, New Delhi-110003 as of March 31, 2018 in conjunction with our audit of the Ind AS financial statements of the National Textile Corporation Limited for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that:

1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and

3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

According to the information and explanations given to us and based on the reports received from the branch auditors who audited the accounts of the concerned Units under National Textile Corporation Ltd, and based on our audit, the following material weaknesses have been identified as at March 31, 2018:

1. **In respect of Unit - KERALA LAKSHMI MILLS -**

   Internal Financial Controls over protection of Fixed Assets is not operating effectively in the light of the fact that 4.8 Acres of land belonging to the Unit has been encroached upon by various outsiders. The land had not been properly protected through fencing/ building a boundary wall, as a result of which it is being encroached. Suits have been filed in the court against the occupiers.

2. **In respect of Unit- Tirupati Cotton Mills:-**

   The Internal control have not been robust and needs improvement.

3. **In respect of WRO -**

   i) Certain Shares held by National Textile Corporation Limited WRO were not in the name of National Textile Corporation Limited (Share certificates were in the name of erstwhile owner) which were shown as Non-

Current Investments in the books of the National Textile Corporation Limited's WRO Mumbai and as such internal financial controls over investments appearing in the books not operating effectively which could potentially result in the loss of income and ownership of investments.

ii) *Out of Twenty three properties, where title was not in dispute, sixteen were in the name of erstwhile owners and seven were in the name of other parties. In case of two properties details about whether these were Freehold or Leasehold were not available. Also certain lands were encroached and were in the possession of unauthorized occupants. Internal financial controls over assets appearing in the books are not operating effectively which could potentially result in the loss of ownership of properties.*

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the National Textile Corporation Ltd 's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the National Textile Corporation Ltd has maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 2018 based on the internal control over financial reporting criteria established by the Unit 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.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2018 financial statements of the National Textile Corporation Ltd and these material weaknesses do not affect our opinion on the financial statements of the Company.

For Tiwari & Associates
CHARTERED ACCOUNTANTS
Firm Registration No.: 002870N

Sd/-
(Sandeep Sandill)
Partner
Membership Number 085747

Place: New Delhi
Date: 09.08.2018

NATIONAL TEXTILE CORPORATION LIMITED (STANDALONE)

For Year ended 31st March 2018

Directions under Section 143(5) of the Companies Act, 2013

S. No.	QUESTIONS	ANSWERS
1	**Land**	
	Whether the company has clear title/lease deeds for free hold and lease hold respectively? If not please state the area of freehold and leasehold land for which title/lease deeds are not available?	Yes, as per the information and explanation given to us and based on reports received from the Branch Auditors, the Corporation has clear title/ lease deeds for freehold and leasehold land respectively except as disclosed under Note No. 33.17 and 33.19. Some of staff quarters, premises, shops and land are under unauthorised occupation as disclosed under Note No. 33.18 of the Financial Statements of the Company.
2	**Waiver/ Write off of Debt /Loan Interest**	
	Whether there are any cases of waiver /write off of debts/ loan /interest etc. If yes, the reason thereof and the amount involved.	During the course of audit we have not reported any such case of waiver/ writes off debts/ interest/ loans etc.
3	**Inventories Lying with Third Parties& Asset Received as gift /Grant (s) from Govt. Or other authorities**	
	Whether proper record is maintained for inventories lying with third parties & assets received as gift/grant (s) from Govt. Or other authorities.	Based on the reports received from the Branch Auditors, wherever applicable, the units have maintained proper records for inventories lying with third parties. Further, on the basis of our checks, information & explanation obtained, the Corporation has not received any asset as gift/ grant from the Government or other authorities.

For Tiwari & Associates
CHARTERED ACCOUNTANTS
Firm Registration No.: 002870N

Sd/-
(Sandeep Sandill)
Partner
Membership Number 085747

Place: New Delhi
Date: 09.08.2018

Tiwari & Associates
Chartered Accountants

T-8, Green Park Extn.,
New Delhi - 110016, India
Tel.: 26166225
26198237
email: tikaca81@hotmail.com

Compliance Certificate

We have conducted the audit of the accounts of **National Textile Corporation Limited – Standalone,** New Delhi for the year ended on 31st March, 2018 in accordance with the directions/ sub- directions issued by the C&AG of India under Section 143 (5) of the Companies Act, 2013 and certify that we have complied with all the directions/ sub directions issued to us.

For TIWARI & ASSOCIATES
Chartered Accountants
Firm Registration Number: 002870N

Sd/-
(Sandeep Sandill)
Partner
Membership Number 085747

Place: New Delhi
Date: 09.08.2018

BALANCE SHEET AS AT 31ST MARCH, 2018

Amount ₹ in Lacs

Particulars	Note No	As at March 31, 2018	As at March 31, 2017
ASSETS			
Non-Current Assets			
Property, plant and equipment	2	79,061.12	87,035.42
Capital work-in-progress	3	723.53	1,421.06
Investment property	4	2,984.95	-
Intangible assets	5	13.60	14.26
Financial assets			
- Investments	6	2,031.75	1,992.19
- Trade receivables	7	-	-
- Loans	8	3,541.35	3,390.49
- Other financial assets	9	164.12	163.91
Other non-current assets	10	13,189.22	13,774.99
Current Assets			
Inventories	11	32,444.84	29,308.21
Financial assets			
- Trade receivables	7	6,165.43	4,465.61
- Cash & cash equivalents	12	12,240.78	27,460.52
- Bank Balances other than cash & cash equivalents	13	44,166.43	70,951.35
- Loans	8	6,227.85	6,226.86
- Other financial assets	9	9,310.71	4,492.56
Current tax assets (net)	14	748.49	698.49
Other current assets	10	2,293.63	2,030.63
Assets classified as held for sale	15	141,699.05	141,474.05
Total Assets		357,006.85	394,900.60

Particulars	Note No	As at March 31, 2018	As at March 31, 2017
EQUITY AND LIABILITIES			
Equity			
Equity share capital	16	306,216.01	306,216.01
Other equity	17	(93,493.14)	(62,682.12)
Liabilities			
Non-Current Liabilities			
Financial liabilities			
- Other financial liabilities	18	293.49	290.71
Provisions	19	10,605.92	10,675.46
Deferred tax liabilities (Net)	20	-	-
Other non-current liabilities	21	2,663.22	2,635.02
Current Liabilities			
Financial liabilities			
- Borrowings	22	71,814.17	67,224.65
- Trade payables	23	21,389.70	16,731.50
- Other financial liabilities	18	21,633.45	37,716.91
Other current liabilities	21	11,470.13	11,688.19
Provisions	19	4,413.90	4,404.27
Total Equity and Liabilities		**357,006.85**	**394,900.60**

Significant Accounting Policies & 1
Notes to the Financial Satements 32

As per our separate report of even date attached
For **TIWARI & ASSOCIATES**
Chartered Accountants
Firm Registration Number: 002870N

For and on behalf of Board of Directors of
National Textile Corporation Limited
CIN: U74899DL1968GOI004866

Sd/-
(Sandeep Sandill)
Partner
Membership No.: 085747

Sd/-
(Pankaj Agarwal)
Company Secretary
PAN: ACZPA4484D

Sd/-
(Dr. Anil Gupta)
Director (Finance)
DIN: 07319209

Sd/-
(Sanjay Rastogi)
Chairman & Managing Director
DIN: 07722405

Place: New Delhi
Date: 09.08.2018

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

Amount ₹ in Lacs

Particulars	Note No	For the year ended March 31, 2018	For the year ended March 31, 2017
Income			
Revenue from operations	24	106,626.74	116,849.57
Other income	25	12,281.42	7,369.47
Total Income		**118,908.16**	**124,219.04**
Expenses			
Cost of material consumed	26	66,069.60	63,923.25
Purchase of stock in trade		4,036.85	2,141.27
Changes in inventories of finished goods, stock in trade and work in progress	27	(4,184.41)	8,241.89
Employees' benefit expenses	28	33,441.71	30,794.48
Finance costs	29	5,968.11	12,766.34
Depreciation and amortization expenses	30	5,572.15	13,665.64
Impairment loss	30A	461.41	-
Other expenses	31	40,865.03	35,682.19
Total expenses		**152,230.45**	**167,215.06**
Profit/(loss) before exceptional items and tax		(33,322.29)	(42,996.02)
Exceptional Items	32	2,628.77	140,311.65
Profit/(loss) before tax		(30,693.52)	97,315.63
Tax expense			
(i) Current tax		-	-
(ii) Deferred tax	20	-	-
Profit/(loss) for the period from continuing operations		(30,693.52)	97,315.63

Particulars	Note No	For the year ended March 31, 2018	For the year ended March 31, 2017
Profit/(loss) for the period (I)		(30,693.52)	97,315.63
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
- Re-measurement gain/(loss) on defined benefit plans		(131.93)	(387.42)
- Net gain/ (loss) on FVTOCI equity instruments		14.43	9.56
Other Comprehensive Income (II)		(117.50)	(377.86)
Total Comprehensive Income for the year (I+II)		**(30,811.02)**	**96,937.77**
"Earnings per equity share(from continuing operations) : (Par value ₹ 1000/- per share)"			
(1) Basic		(100.23)	317.80
(2) Diluted		(100.23)	317.80

Significant Accounting Policies &	1
Notes to the Financial Satements	32

As per our separate report of even date attached
For **TIWARI & ASSOCIATES**
Chartered Accountants
Firm Registration Number: 002870N

For and on behalf of Board of Directors of
National Textile Corporation Limited
CIN: U74899DL1968GOI004866

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Partner
Membership No.: 085747

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(Dr. Anil Gupta)
Director (Finance)
DIN: 07319209

Sd/-
(Sanjay Rastogi)
Chairman & Managing Director
DIN: 07722405

Place: New Delhi
Date: 09.08.2018

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

(Amount ₹ in Lacs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before tax and exceptional items	(33,322.29)	(42,996.02)
Adjustment for:-		
Depreciation and amortization	5,572.15	13,665.64
Finance cost	1,284.36	8,082.59
Interest income	(4,621.21)	(4,537.17)
Dividend received	(852.77)	(772.57)
Remeasurement of net defined benefit plans	(131.93)	(387.42)
Operating profit before working capital changes	(32,071.69)	(26,944.95)
Cash flow from working capital changes		
Adjustment for:-		
(Increase)/Decrease in Inventories	(3,136.63)	4,971.77
(Increase)/Decrease in Trade receivables	(1,699.82)	796.59
(Increase)/Decrease in Other financial asset, other asset and loans	(774.46)	3,234.54
(Increase)/Decrease in Other bank balances	26,784.92	33,085.35
(Increase)/Decrease in Non-current other financial asset, other assets & loans	434.70	(260.17)
Increase/(Decrease) in Trade payables	4,658.20	(3,333.15)
Increase/(Decrease) in other financial liabilities, borrowings, other liabilities and provisions	(11,612.82)	14,050.89
Increase/(Decrease) in Non-current other financial liabilities, other liabilities and provisions	(55.42)	(2,717.34)
Cash flow before exceptional items	(17,473.02)	22,883.53
Adjustment for exceptional items	(352.42)	(926.30)
Net Cash flow from operating activities (i)	**(17,825.44)**	**21,957.23**

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant & equipment/intangible assets	(1,512.60)	(1,793.98)
Sale proceeds of property, plant & equipment	43.36	63.02
Sundry creditors for machinery	(89.55)	(9.16)
Sale/ (Purchase) of investments	(25.13)	(3.32)
Interest income	4,621.21	4,537.17
Dividend received	852.77	772.57
Net Cash from investing activities (ii)	**3,890.06**	**3,566.30**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Finance cost	**(1,284.36)**	**(8,082.59)**
Net Cash from financing activities (iii)	**(1,284.36)**	**(8,082.59)**
D. Net changes in cash & cash equivalents (i+ii+iii)	**(15,219.74)**	**17,440.95**
E. Opening cash & cash equivalents (Note No 12)	**27,460.52**	**10,019.57**
F. Closing cash & cash equivalents (Note No 12)	**12,240.78**	**27,460.52**

The accompanying notes are an integral part of these standalone financial statements.

Notes:

– The cash flow statement has been prepared under the indirect method as set out under Indian Accounting Standard (Ind AS-7 - Cash flow statement) statement of cash flows.

– Previous year figures have been restated, regrouped and rearranged wherever considered necessary. In investing activities, the effect of sale of TDR has been removed from the cash flow statement in view of non-cash nature of the same.

As per our separate report of even date attached
For **TIWARI & ASSOCIATES**
Chartered Accountants
Firm Registration Number: 002870N

For and on behalf of Board of Directors of
National Textile Corporation Limited
CIN: U74899DL1968GOI004866

Sd/-
(Sandeep Sandill)
Partner
Membership No.: 085747

Sd/-
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Sd/-
(Dr. Anil Gupta)
Director (Finance)
DIN: 07319209

Sd/-
(Sanjay Rastogi)
Chairman & Managing Director
DIN: 07722405

Place: New Delhi
Date: 09.08.2018

Statement of Change in Equity

A) Equity Share Capital

(₹ in Lakh)

	Amount
As at April 01, 2016	306,216.01
Changes in Equity share capital	-
As at March 31, 2017	306,216.01
Changes in Equity share capital	-
As at March 31, 2018	306,216.01

B) Other Equity

(₹ in Lakh)

Particulars	Reserve and Surplus			Equity instruments through OCI	Revaluation Surplus	Remeasurement gain/(loss) on defined benefit plans	Total
	Capital Reserve	Special Reserve u/s 36 (i) (viii) of the Income Tax Act	Retained Earnings				
Balance as at April 01, 2016	**345,584.78**	**242.48**	**(523,241.41)**	**21.96**	**16,722.89**	**1,049.41**	**(159,619.89)**
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Restated balance as at April 01, 2016	**345,584.78**	**242.48**	**(523,241.41)**	**21.96**	**16,722.89**	**1,049.41**	**(159,619.89)**
Profit/(loss) for the period	-	-	97,315.63	-	-	-	97,315.63
Other comprehensive income for the year	-	-	-	9.56	-	(387.42)	(377.86)
Total comprehensive income for the year	-	-	97,315.63	9.56	-	(387.42)	96,937.77
Balance as at March 31, 2017	**345,584.78**	**242.48**	**(425,925.78)**	**31.52**	**16,722.89**	**661.99**	**(62,682.12)**
Balance as at April 01, 2017	**345,584.78**	**242.48**	**(425,925.78)**	**31.52**	**16,722.89**	**661.99**	**(62,682.12)**
Profit/(loss) for the period	**-**	**-**	**(30,693.52)**	**-**	**-**	**-**	**(30,693.52)**
Other comprehensive income for the year	-	-	-	14.43	-	(131.93)	(117.50)
Total comprehensive income for the year	-	-	(30,693.52)	14.43	-	(131.93)	(30,811.02)
Balance as at March 31, 2018	**345,584.78**	**242.48**	**(456,619.30)**	**45.95**	**16,722.89**	**530.06**	**(93,493.14)**

As per our separate report of even date attached
For **TIWARI & ASSOCIATES**
Chartered Accountants
Firm Registration Number: 002870N

For and on behalf of Board of Directors of
National Textile Corporation Limited
CIN: U74899DL1968GOI004866

Sd/-
(Sandeep Sandill)
Partner
Membership No.: 085747

Sd/-
(Pankaj Agarwal)
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PAN: ACZPA4484D

Sd/-
(Dr. Anil Gupta)
Director (Finance)
DIN: 07319209

Sd/-
(Sanjay Rastogi)
Chairman & Managing Director
DIN: 07722405

Place: New Delhi
Date: 09.08.2018

Notes to the Standalone Financial Statements for the year ended March 31, 2018

Note No 1 - Significant Accounting Policies

- **General Information**

National Textile Corporation Limited, (NTC) “the company” is a Schedule ‘A’ public sector company under the ambit of Ministry of Textile, Government of India, engaged in production of yarn and fabric through its mills in operation, located all over India producing yarn and fabric. NTC also manufactures garments through its JV Companies.

In addition, National Textile Corporation has well established retail network throughout the country with its retail stores.

National Textile Corporation was established in 1968 to look after the functioning of sick textile mills acquired through three Nationalisation Acts. The mills which were not in a position to revive have been closed subsequently.

1. Significant Accounting Policies

1.1. Statement of Compliance and basis of preparation of Financial Statements

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind-AS) as notified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, and the relevant amendment rules thereafter.

Accounting policies have been applied consistently to all periods presented in these financial statements. The Financial Statements are prepared under historical cost convention from the books of accounts maintained under accrual basis except for certain financial instruments which are measured at fair value and in accordance with the Indian Accounting Standards prescribed under the Companies Act, 2013, except otherwise stated.

All amounts included in the financial statements are reported in lakhs Indian rupees except number of equity shares and per share data, unless otherwise stated.

1.2. Use of estimates and judgment

The preparation of financial statements requires judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised

1.3. Current versus non-current classification.

The company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

The company classifies all other liabilities as non-current.

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

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

1.4. Functional and presentation currency

These financial statements are presented in Indian rupees, the national currency of India, which is the functional currency of the Company.

1.5. Purchase of Raw Materials

Purchase of Raw Materials is accounted for on invoice value except in the case of supplies from Government agencies where it is accounted on the basis of Pro-forma invoice in the absence of invoice.

1.6. Revenue Recognition

Sale of Goods

i) Sales Revenue is recognized, in the case of direct sale on raising of invoice and delivery of goods and in respect of depot/ consignment sales, revenue is recognized on the basis of "Accounts Statement" from Depot/Consignment Agent confirming the sale.

ii) Export sales are accounted for at FOB value basis.

Interest Income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend Income

Dividend Income is recognized when the company's right to receive the payment is established which is generally when shareholders approve the dividend.

Rent Income

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature.

1.7. Property, Plant and Equipment

All Property, Plant and Equipment (PPE) are stated at carrying value i.e. original cost net of tax / duty credit availed, less accumulated depreciation and accumulated impairment losses.

The cost of an item of property, plant and equipment is recognized as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The cost of an item of PPE is the cash price equivalent at the recognition date. The cost of an item of PPE comprises:

i) Purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts, rebates, Excise and Custom duty where CENVAT credit on capital goods is availed, except taken over as a result of nationalisation, which are stated at values then approved by board and re-valued asset at revalue price less accumulated depreciation and impairment(if any).

ii) Costs directly attributable to bringing the PPE to the location and condition necessary for it to be capable of operating in the manner intended by management.

The company has chosen the cost model for recognition and this model is applied to all class of assets. After recognition as an asset, an item of PPE is carried at its cost less any accumulated depreciation and any accumulated impairment losses.

Capital work in progress is stated at cost and such cost includes the cost of property, plant and equipment under installation/ under development as at the balance sheet date.

Stores and Spares

Significant spare parts qualify as property, plant and equipment when an entity expects to use them during more than one period and when they can be used only in connection with an item of property, plant and equipment.

Major repairs and overhauling cost

Cost of major repairs/overhauling is capitalised with consequent de-recognition of any remaining carrying amount of the cost of the previous inspection/repairs. The total cost of inspection/repairs is considered as a separate component.

1.8. Intangible Assets

All Intangible assets are stated at carrying value i.e. original cost net of tax / duty credit availed, less accumulated depreciation and accumulated impairment losses.

Identifiable intangible assets are recognized when the company controls the asset; it is probable that future economic benefits expected with the respective assets will flow to the company for more than one economic period; and the cost of the asset can be measured reliably. At initial recognition, intangible assets are recognized at cost. Intangible assets are amortized on straight line basis over estimated useful life of 5 years and for the assets which are having more life, the periodicity may be decided after seeking approval from the Board.

1.9. Depreciation and Amortization

The depreciable amount of an item of Property, Plant and Equipment (PPE) is allocated on a straight line basis over its useful life. The residual value and the useful life of an asset are reviewed at each financial year-end. Each part of an item of PPE with a cost that is significant in relation to the total cost of the asset and useful life of that part is different from remaining part of the asset; such significant part is depreciated separately. Depreciation on all such items have been provided from the date they are 'Available for Use' till the date of sale / disposal and includes amortization of intangible assets and lease hold assets. An item of PPE is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

The Company depreciates it's property, plant and equipment over the useful life in the manner prescribed in Schedule II to the Companies Act, 2013 and management believes that useful life of the assets are same as those prescribed in Schedule II to the Act except plant and machinery of spinning and weaving business which based on technical evaluation, life has been estimated between the range of 20 to 30 years (on single shift basis), which is different from that prescribed in the Schedule II to the Act. The useful life of plant and machinery of garmenting business is estimated same as prescribed in Schedule II of the Act. The residual value of all the assets is taken 5% of the cost of assets.

1.10. Borrowing Costs

The Company capitalises borrowing costs that are directly attributable to the acquisition, construction or production of qualifying asset as a part of the cost of the asset. The Company recognises other borrowing costs as an expense in the period in which it incurs. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

1.11. Foreign Currency Transactions:

Transactions in currencies other than the functional currency are recognized at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Differences arising on settlement or translation of monetary items are recognized in profit or loss.

1.12. Inventories

Inventories are valued as follows:

i) Raw Material in Stock: At variety-wise monthly weighted average cost or net realizable value whichever is lower.

ii) Raw material in Transit and finished goods (packed yarn and cloth): At cost or net realizable value whichever is lower.

iii) Finished Goods at depot (Yarn / Cloth): At lower of cost or net realizable value.

iv) Finished Goods at retail Marketing Depots / Divisions, Retail Showrooms, and duty paid godowns: Cost including excise duty or net realizable value whichever is lower. The cost is determined by reducing from the sale value appropriate percentage of gross margin. Net realizable value is determined after appropriate discounts for damages, cut pieces, age of stock, market forces, if any.

v) Stores and Spares: At weighted average cost or net realizable value whichever is lower other than the stores and spares that are to be componentized.

vi) Materials in Process: At cost or net realizable value whichever is lower.

vii) Loose yarn & Cloth under process, and with processors etc: At lower of cost or net realizable value less expenses to be incurred to make them ready for sale.

viii) Scrap and saleable waste: At net realizable price.

ix) Useable wastes: At weighted average cost or net realizable value whichever is lower

Note: Wherever net realisable value is not available, cost is used

1.13. Government Grant

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. These grants are classified as grants relating to assets and revenue based on the nature of the grants.

Grants relating to depreciable assets are initially recognised as deferred revenue and subsequently recognised in the statement of profit and loss on a systematic basis over the useful life of the asset generally in the same proportion in which depreciation is charged on the depreciable assets acquired out of such contribution. Changes in estimates are recognised prospectively over the remaining life of the assets.

Grants in the form of revenue grant are recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

Grants in the form of non-monetary assets such as land and other resources are recognised at fair value and presented as deferred income which is recognized in the statement of profit and loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset.

1.14. Provisions

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

1.15. Contingent Liabilities / Assets

Contingent Liabilities

Contingent liabilities are not recognized but disclosed in Notes to the Accounts when the company has possible obligation due to past events and existence of the obligation depends upon occurrence or non-occurrence of future events not wholly within the control of the company.

Contingent liabilities are assessed continuously to determine whether outflow of economic resources have become probable. If the outflow becomes probable then relative provision is recognized in the financial statements.

Where an entity is jointly and severally liable for an obligation, the part of the obligation that is expected to be met by other parties is treated as a contingent liability. The entity recognises a provision for the part of the obligation for which an outflow of resources embodying economic benefits is probable, except in the extremely rare circumstances where no reliable estimate can be made.

Contingent Liabilities are disclosed in the General Notes forming part of the accounts.

Contingent Assets

Contingent Assets are not recognised in the financial statements. Such contingent assets are assessed continuously and are disclosed in Notes when the inflow of economic benefits becomes probable. If it is certain that inflow of economic benefit will arise then such asset and the relative income shall be recognised in financial statements.

1.16. Employee benefits

i) Provision for gratuity, leave encashment/availment and other terminal benefits is made on the basis of actuarial valuation using the projected unit credit method. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling and the return on plan assets excluding interest (if applicable), is reflected immediately in the statement of financial position with a charge or credit recognized in other comprehensive income in the period in which they occur. Re-measurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to Statement of Profit or Loss.

ii) Contribution to Provident Fund is recorded as expenses on accrual basis.

1.17. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from ‘profit before tax’ as reported in the statement of profit or loss and other comprehensive income/statement of profit or loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company’s current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

Current and deferred tax for the year

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

1.18. Investment Property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. All of the Company’s property interests held under operating leases to earn rentals or for capital appreciation purposes are accounted for as investment properties.

After initial recognition, the company measures investment property at cost.

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on de recognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognized.

Investment properties to be depreciated in accordance to the class of asset that it belongs and the life of the asset shall be as conceived for the same class of asset at the Company.

1.19. Investment in Subsidiary, Joint Venture and Associates

The company accounts investment in subsidiary, joint ventures and associates at cost. An entity controlled by the company is considered as a subsidiary of the company.

Investments where the company has significant influence are classified as associates. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement is classified as a joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

1.20. Financial instruments

i) Non-derivative financial instruments

Non-derivative financial instruments consist of:

- Financial assets, which include cash and cash equivalents, trade receivables, unbilled revenues, finance lease receivables, employee and other advances, investments in equity and debt securities and eligible current and non-current assets;
- Financial liabilities, which include long and short-term loans and borrowings, bank overdrafts, trade payables, eligible current and non-current liabilities.

Non derivative financial instruments are recognized initially at fair value including any directly attributable transaction costs.

Subsequent to initial recognition, non derivative financial instruments are measured as described below:

a) Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents include cash in hand, at banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand and are considered part of the Company's cash management system. In the statement of financial position, bank overdrafts are presented under borrowings within current liabilities.

b) Investments in Equity Securities

Investments in equity securities (other than those in Subsidiaries, Joint Venture and Associates) are valued at their fair value. These investments are measured at fair value and changes therein, other than impairment losses, are recognized in Other Comprehensive Income. The impairment losses, if any, are reclassified from equity into statement of profit and loss. On de-recognition of such assets, the related cumulative gain or losses recognised in other comprehensive income are transferred within equity.

c) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Loans and receivables are initially recognized at fair value plus directly attributable transaction costs and subsequently measured at amortized cost using the effective interest method, less any impairment losses. Loans and receivables comprise trade receivables, unbilled revenues and other assets.

The company estimates the un-collectability of accounts receivable by analysing historical payment patterns, customer concentrations, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

d) Trade and other payables

Trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest method. For these financial instruments, the carrying amounts approximate fair value due to the short term maturity of these instruments.

ii) Derivative financial instruments/Forward Contract

The Company is exposed to foreign currency fluctuations on foreign currency assets and liabilities. The Company limits the effect of foreign exchange rate fluctuations by following established risk management policies including the use of derivatives. The Company enters into derivative financial instruments where the counterparty is primarily a bank.

Derivatives are recognized and measured at fair value. Attributable transaction costs are recognized in statement of income as cost.

1.21. Impairment

If the recoverable amount of an asset (or cash-generating unit/Fixed Assets) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a re-valued amount, in which case the impairment loss is treated as a revaluation decrease.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a re-valued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

At the end of each reporting period, the company reviews the carrying amounts of its tangible, intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Impairment of financial assets

Financial assets, other than those at Fair Value through Profit and Loss (FVTPL), are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected. For Available for Sale (AFS) equity investments, a significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment.

For all other financial assets, objective evidence of impairment could include:

- Significant financial difficulty of the issuer or counterparty;
- Breach of contract, such as a default or delinquency in interest or principal payments;
- It becoming probable that the borrower will enter bankruptcy or financial re-organisation; or the disappearance of an active market for that financial asset because of financial difficulties.

For certain categories of financial assets, such as trade receivables, assets are assessed for impairment on individual basis. Objective evidence of impairment for a portfolio of receivables could include companies past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets that are carried at cost, the amount of impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables; such impairment loss is reduced through the use of an allowance account for respective financial asset. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in profit or loss.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognized.

De-recognition of financial assets

The Company de-recognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, The Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety except 1.20(i)(b), the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss.

1.22. Earnings per share

A basic earnings per share is computed by dividing the net profit attributable to the equity shareholders of the company by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity shareholders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

1.23. Fair Value Measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

1.24. Segment Information

The Chief Operating Decision Maker (CODM) as defined by Ind AS-108, "Operating Segments" monitors the operating results of it's operating segments based on their revenue growth and operating income. The Company has identified two primary business segments i.e. Yarn & Cloth. The assets and liabilities used in the Company's business that are not identified to any of the operating segments are shown as un-allocable assets/liabilities.

1.25. Prior Period

Errors of material amount relating to prior period(s) are disclosed by a note with nature of prior period errors, amount of correction of each such prior period presented retrospectively, to the extent practicable along with change in basic and diluted earnings per share. However where retrospective restatement is not practicable for a particular period then the circumstances that lead to the existence of that condition and the description of how and from where the error is corrected are disclosed in Notes on Accounts.

1.26. Non-current Assets held for sale

Non-current assets and disposal group are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. These assets and disposal groups are measured at the lower of their carrying amount and fair value less cost to be incurred towards sale. This condition is regarded as met only when the sale is highly probable and the assets or disposal group is available for immediate sale in its present condition.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The company treats sale/ distribution of the asset or disposal group to be highly probable when:

i) The appropriate level of management is committed to a plan to sell the asset (or disposal group), ii) An active programme to locate a buyer and complete the plan has been initiated (if applicable), iii) The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value, iv) The sale is expected to qualify for recognition as a completed sale within one year from the date of classification , and v) Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

The company shall not depreciate (or amortised) a non-current asset while it is classified as held for sale or while it is a part of a disposal group classified as held for sale.

1.27. Leases

Leases of Property, Plant and Equipment in which a significant portion of risks and rewards of ownership is transferred to the company as lessee are classified as finance lease. Such finance leases are generally capitalised at the inception of lease at the fair value of the leased property which equals the transaction price i.e. lump sum upfront payments. Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases.

Notes to the Standalone Financial Statements for the year ended March 31, 2018

Note No. - 2

Property, Plant and Equipment

(₹ in Lacs)

Particulars	Gross block as at April 01, 2017	Additions	Adjustments/ sales during the year	Gross block as at March 31, 2018	Accumulated depreciation as at April 01, 2017	Additions	Adjustments/ sales during the year	Accumulated depreciation as at March 31, 2018	Carrying value as at March 31, 2018
Land - Free Hold	17,978.99	-	-	17,978.99	-	-	-	-	17,978.99
Land - Lease Hold	1,188.96	470.30	-	1,659.26	88.69	53.12	-	141.81	1,517.45
Building - Factory	24,794.87	108.82	(2,084.91)	22,818.78	1,827.40	900.12	(195.91)	2,531.61	20,287.17
Building - Non Factory	2,084.37	1.77	-	2,086.14	251.14	73.20	-	324.34	1,761.80
Tube Well	49.17	2.57	-	51.74	37.88	2.45	-	40.33	11.41
Plant & Machinery	64,373.01	1,141.94	(3,310.20)	62,204.75	25,507.79	3,719.51	(1,141.14)	28,086.16	34,118.59
Furniture & Fixtures	682.22	3.74	1.22	687.18	158.65	88.51	2.04	249.20	437.98
Vehicles	131.60	9.33	(0.53)	140.40	38.55	25.10	(0.01)	63.64	76.76
Electrical Fittings	4,067.60	182.57	(827.39)	3,422.78	1,115.78	519.26	(276.02)	1,359.02	2,063.76
Office & Factory Equipments	329.30	32.42	(1.74)	359.98	104.22	52.70	(0.76)	156.16	203.82
Bio Gas Plant	0.05	-	-	0.05	-	-	-	-	0.05
Computer	123.21	45.88	0.28	169.37	54.69	27.87	0.40	82.96	86.41
Railway	0.04	-	-	0.04	-	-	-	-	0.04
Lab Equipment	591.69	210.00	(23.59)	778.10	174.87	94.31	(7.97)	261.21	516.89
Total	**116,395.08**	**2,209.34**	**(6,246.86)**	**112,357.56**	**29,359.66**	**5,556.15**	**(1,619.37)**	**33,296.44**	**79,061.12**

Property, Plant and Equipment (Contd.)

(₹ in Lacs)

Particulars	Gross Block as at April 01, 2016	Additions	Adjustments/ sales during the year	Gross block as at March 31, 2017	Accumulated depreciation as at April 01, 2016	Additions	Adjustments/ sales during the year	Accumulated depreciation as at March 31, 2017	Carrying value as at March 31, 2017
Land - Free Hold	18,022.22	-	(43.23)	17,978.99	-	-	-	-	17,978.99
Land - Lease Hold	903.59	285.37	-	1,188.96	40.05	48.64	-	88.69	1,100.27
Building - Factory	24,784.76	12.49	(2.38)	24,794.87	946.84	900.18	(19.62)	1,827.40	22,967.47
Building - Non Factory	2,088.01	2.72	(6.36)	2,084.37	151.49	80.17	19.48	251.14	1,833.23
Tube Well	48.94	0.23	-	49.17	19.30	18.58	-	37.88	11.29
Plant & Machinery	64,494.86	885.31	(1,007.16)	64,373.01	14,528.52	11,787.37	(808.10)	25,507.79	38,865.22
Furniture & Fixtures	679.57	4.52	(1.87)	682.22	80.26	80.43	(2.04)	158.65	523.57
Vehicles	112.46	19.14	-	131.60	20.73	17.82	-	38.55	93.05
Electrical Fittings	3,812.05	301.74	(46.19)	4,067.60	571.33	569.51	(25.06)	1,115.78	2,951.82
Office & Factory Equipments	194.21	136.78	(1.69)	329.30	56.14	48.49	(0.41)	104.22	225.08
Bio Gas Plant	0.05	-	-	0.05	-	-	-	-	0.05
Computer	96.32	30.51	(3.62)	123.21	28.98	28.51	(2.80)	54.69	68.52
Railway	0.04	-	-	0.04	-	-	-	-	0.04
Lab Equipment	580.06	12.69	(1.06)	591.69	90.22	84.65	-	174.87	416.82
Total	**115,817.14**	**1,691.50**	**(1,113.56)**	**116,395.08**	**16,533.86**	**13,664.35**	**(838.55)**	**29,359.66**	**87,035.42**

**Refer not no. 33.17, 33.18, 33.19, 33.21, 33.22*

Note No. 3

Capital Work- In- Progress

(₹ in Lacs)

Particulars	For the year ended March 31, 2018					For the year ended March 31, 2017			
	Balance as at April 1, 2017	Additions during the year	Capitalized during the year	Impairment loss	Balance as at March 31, 2018	Balance as at April 1, 2016	Additions during the year	Capitalized during the year	Balance as at March 31, 2017
Civil work	237.10	150.89	(109.12)	-	278.87	92.38	147.42	(2.70)	237.10
Plant & Machinery	1,077.33	366.85	(727.38)	(461.41)	255.39	822.71	578.57	(323.95)	1,077.33
Others	106.63	150.95	(68.31)	-	189.27	121.45	71.48	(86.30)	106.63
Total	**1,421.06**	**668.69**	**(904.81)**	**(461.41)**	**723.53**	**1,036.54**	**797.47**	**(412.95)**	**1,421.06**

**Refer not no. 33.05*

Note No. 4

Investment Property

(₹ in Lacs)

Particulars	Land	Building	Total
Gross block as at April 01, 2017	**-**	**-**	**-**
Additions*	1,834.50	1,165.00	2,999.50
Gross block as at March 31, 2018	1,834.50	1,165.00	2,999.50
Accumulated depreciation as at April 01, 2017	**-**	**-**	**-**
Additions	-	14.55	14.55
Accumulated depreciation as at March 31, 2018	-	14.55	14.55
Carrying value as at March 31, 2018	1,834.50	1,150.45	2,984.95

**Refer not no. 33.23*

Amounts recognized in Statement of Profit & Loss for Investment Property

(₹ in Lacs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Direct operating expenses for property that did not generate rental income	**21.88**	**-**
Profit/(loss) from investment properties before depreciation	(21.88)	-
Depreciation	(14.55)	-
Profit/(loss) from investment properties	**(36.43)**	**-**

Note No. 5

Intangible Assets

(₹ in Lacs)

Particulars	Computer Softwares
Gross block as at April 01, 2016	**14.11**
Additions	3.33
Gross block as at March 31, 2017 (A)	17.44
Accumulated Amortization/Impairment as at April 01, 2016	**1.89**
Additions	1.29
Accumulated Amortization as at March 31, 2017 (B)	3.18
Carrying value as at March 31, 2017 (A-B)	14.26
Gross block as at April 01, 2017	17.44
Additions	0.79
Gross block as at March 31, 2018 (C)	18.23
Accumulated Amortization/Impairment as at April 01, 2017	3.18
Additions	1.45
Accumulated Amortization/Impairment as at March 31, 2018 (D)	4.63
Carrying value as at March 31, 2018 (C-D)	13.60

Note No. 6

Investments

(Amount in ₹)

Particulars	Cost of Investment	As at 31 March, 2018			As at 31 March, 2017		
		No. of Shares	Amount	Impairment	No. of Shares	Amount	Impairment
NON CURRENT INVESTMENTS							
A. Investment in Subsidiaries							
Unquoted							
Equity Instrument at Cost							
Aurangabad Textiles & Apparel Parks Limited Fully paid up equity shares of ₹ 10 each	10,608,000.00	1,060,800	10,608,000.00	-	1,060,800	10,608,000.00	-
New City Bombay Manufacturing Mills Limited Fully paid up equity shares of ₹ 10 each	46,767,000.00	4,676,700	46,767,000.00	-	4,676,700	46,767,000.00	-
Apollo Designs & Apparel Parks Limited Fully paid up equity shares of ₹ 10 each	28,815,000.00	2,881,500	28,815,000.00	-	2,881,500	28,815,000.00	-
Goldmohur Designs & Apparel Parks Limited Fully paid up equity shares of ₹ 10 each	29,835,000.00	2,983,500	29,835,000.00	-	2,983,500	29,835,000.00	-
Indian United Mills Limited Fully paid up equity shares of ₹ 10 each	64,826,100.00	6,482,610	64,826,100.00	-	6,482,610	64,826,100.00	-
Swadeshi Mining & Manufacturing Limited Fully paid up equity shares of ₹ 10 each	16,580,153.00	1,718,344	16,580,153.00	16,580,153.00	1,718,344	16,580,153.00	16,580,153.00
Sub Total (A)			**197,431,253.00**	**16,580,153.00**		**197,431,253.00**	**16,580,153.00**
B. Investment in Associates							
Quoted							
Equity Instrument at Cost							
Swadeshi Polytex Limited Fully paid up equity shares of ₹ 10 each.	14,542,243.50	1,311,750	14,542,243.50	-	1,311,750	14,542,243.50	-
Sub Total (B)			**14,542,243.50**	**-**		**14,542,243.50**	**-**
Total 1 (A+B)			**211,973,496.50**	**16,580,153.00**		**211,973,496.50**	**16,580,153.00**

Particulars	Cost of In-vestment	As at 31 March, 2018			As at 31 March, 2017		
		No. of Shares	Amount	Impairment	No. of Shares	Amount	Impairment
C. Other Investments							
(i) Quoted							
At Fair value through Other Comprehensive Income							
A. Investment in Equity Instruments							
NTC-HO							
Lakshmi Machine Works Limited Fully paid up equity shares of ₹ 10 each	1,000.00	480	3,298,992.00	-	480	2,025,216.00	-
Sub-Total (C)			**3,298,992.00**	**-**		**2,025,216.00**	**-**
NTC-UP							
Century Tex & Ind Ltd. Fully paid up equity shares of ₹ 10 each	512.00	480	549,720.00	-	480	505,584.00	-
Standard Ind Limited Fully paid up equity shares of ₹ 5 each	215.00	84	1,730.40	-	84	1,831.20	-
Binny Mills Ltd Fully paid up equity shares of ₹ 10 each	3,591.00	67	14,070.00	-	67	13,296.15	-
"S.V. Global Mills Ltd Fully paid up equity shares of ₹ 5 each"	-	470	50,548.50	-	470	58,938.00	-
Sub-Total (D)			**616,068.90**	**-**		**579,649.35**	**-**
NTC-DPR							
Akzo Nobel India Ltd Fully paid up equity shares of ₹ 10 each	325.00	15	26,970.00	-	15	28,573.50	-
Arvind Limited Fully paid up equity shares of ₹ 10 each	383.00	13	5,001.10	-	13	5,119.40	-
The Mafat Lal Fine Spg & Mfg Co Ltd Fully paid up equity shares of ₹ 100 each	445.00	1	445.00	445.00	1	445.00	445.00

Particulars	Cost of Investment	As at 31 March, 2018			As at 31 March, 2017		
		No. of Shares	Amount	Impairment	No. of Shares	Amount	Impairment
The Khatau Makanhi Spg & Wvg Mills Limited Fully paid up equity shares of ₹ 100 each	128.00	1	128.00	128.00	1	128.00	128.00
The Shree Niwas Cotton Mills Ltd. Fully paid up equity shares of ₹ 100 each	765.00	5	765.00	765.00	5	765.00	765.00
Mafatlal Engg. Ind. Ltd. Fully paid up equity shares of ₹ 100 each	35,600.00	356	35,600.00	35,600.00	356	35,600.00	35,600.00
Sub-Total (E)			**68,909.10**	**36,938.00**		**70,630.90**	**36,938.00**
NTC-WRO							
The Phoenix Mills Ltd Fully paid up equity shares of ₹ 2 each	81.00	250	148,275.00		250	94,288.00	
The Century Spg. & Wvg. Co. Ltd. (Now Century Text. And Ind. Ltd.) Fully paid up equity shares of ₹10 each	740.00	250	286,312.00		250	263,325.00	
The Simplex Mills Co. Ltd. Fully paid up equity shares of ₹ 10 each	79.00	7	70.00		7	136.00	
The Morarjee Gokuldas Spg. & Wvg. Co Ltd. (Now- Peninsual Land Ltd.) Fully paid up equity shares of ₹ 7 each	1.00	400	8,120.00		400	7,500.00	
The Bombay Dying & Mfg Co. Ltd. Fully paid up equity shares of ₹ 2 each	272.00	125	29,919.00		125	10,375.00	
The Swan Mills Co. Ltd. (Now Swan Energy Ltd) Fully paid up equity shares of ₹ 2 each	1,026.00	1,000	178,500.00		1,000	141,200.00	
The Dawn Mills Co. Ltd. (Peninsual Land) Fully paid up equity shares of ₹ 2 each	1.00	100	2,030.00		100	1,875.00	
The Victoria Mills Ltd. Fully paid up equity shares of ₹ 100 each	150.00	1	3,345.00		1	3,100.00	
Sub-Total (F)			**656,571.00**	**-**		**521,799.00**	**-**
Total 2 (C+D+E+F)			**4,640,541.00**	**36,938.00**		**3,197,295.25**	**36,938.00**

Particulars	Cost of Investment	As at 31 March, 2018			As at 31 March, 2017		
		No. of Shares	Amount	Impairment	No. of Shares	Amount	Impairment
(ii) Un-Quoted							
Equity Instrument at Cost							
A. Investment in Equity Instruments							
NTC-DPR							
Kohinoor Mills Co. Ltd. Fully paid up equity shares of ₹ 100 each	175.00	1	175.00	175.00	1.00	175.00	175.00
Tata Mill Ltd. Fully paid up equity shares of ₹ 25 each	33.00	1	33.00	33.00	1.00	33.00	33.00
Sub-Total (G)			**208.00**	**208.00**		**208.00**	**208.00**
NTC-UP							
Dhanlaxmi Mills Ltd. Fully paid up equity shares of ₹ 10 each	2,603.00	15	2,603.00	2,603.00	15	2,603.00	2,603.00
C.P. Properties Ltd. Fully paid up equity shares of ₹ 100 each	697,775.00	6,900	697,775.00	697,775.00	6,900	697,775.00	697,775.00
Beardsheel Ltd. Fully paid up equity shares of ₹ 10 each	2,380.00	90	2,380.00	2,380.00	90	2,380.00	2,380.00
Mafatlal Engg. Industries Ltd. Fully paid up equity shares of ₹ 100 each	10,000.00	100	10,000.00	10,000.00	100	10,000.00	10,000.00
Dalhousie Holding Limited Fully paid up equity shares of ₹ 10 each	381,619.00	3,650	381,619.00	381,619.00	3,650	381,619.00	381,619.00
Elgin Mills Co. Ltd. Fully paid up equity shares of ₹ 10 each	275.00	50	275.00	275.00	50	275.00	275.00
Cawanpore Textile Mills Fully paid up equity shares of ₹ 5 each	112.00	50	112.00	112.00	50	112.00	112.00
Sub-Total (H)			**1,094,764.00**	**1,094,764.00**		**1,094,764.00**	**1,094,764.00**

Particulars	Cost of Investment	As at 31 March, 2018			As at 31 March, 2017		
		No. of Shares	Amount	Impairment	No. of Shares	Amount	Impairment
NTC-WRO							
Shree Nivas Cotton Mills Ltd. Fully paid up equity shares of ₹ 100 each	168.00	1	168.00	168.00	1	168.00	168.00
Swadeshi Mill Co. Ltd. Fully paid up equity shares of ₹ 10 each	178.00	10	178.00	178.00	10	178.00	178.00
Khetau Makanji Spg. & Wvg. Co. Ltd. Fully paid up equity shares of ₹ 100 each	1.00	1	1.00	1.00	1	1.00	1.00
Standard Mills Co. Ltd. Fully paid up equity shares of ₹ 10 each	1,204.00	60	1,204.00	1,204.00	60	1,204.00	1,204.00
Mafatlal Fine Spg. & Wvg. Co. Ltd. Fully paid up equity shares of ₹ 100 each	361.00	5	361.00	361.00	5	361.00	361.00
Bradbury Mills Ltd. Fully paid up equity shares of ₹ 50 each	845.00	5	845.00	845.00	5	845.00	845.00
Laxmi Vishnoo Cotton Mills Ltd. Fully paid up equity shares of ₹ 100 each	63.00	1	63.00	63.00	1	63.00	63.00
Mafatlal Engineering Ind. Ltd. Mumbai Fully paid up equity shares of ₹ 200 each	25,100.00	251	25,100.00	25,100.00	251	25,100.00	25,100.00
Tata Services Ltd. Fully paid up equity shares of ₹ 1000 each	175,000.00	175	175,000.00		175	175,000.00	
Associated Buildings Ltd. Fully paid up equity shares of ₹ 1000 each	75,000.00	250	75,000.00		250	75,000.00	
Cesta Bella Co-Hsg Soc. Fully paid up equity shares of ₹ 10 each	500.00	50	500.00	-	50	500.00	
Rosary Co-Hsg Soc. Fully paid up equity shares of ₹ 100 each	1,000.00	10	1,000.00		10	1,000.00	
Gulmohur Co-Hsg Soc. Fully paid up equity shares of ₹ 50 each	250.00	5	250.00		5	250.00	
New Piece Goods Bazar Co. Ltd. Fully paid up equity shares of ₹ 100 each (Includes 192 bonus shares fully paid up equity shares of ₹ 100)	24,000.00	432	24,000.00		432	24,000.00	
Sub-Total (I)			**303,670.00**	**27,920.00**		**303,670.00**	**27,920.00**

Particulars	Cost of Investment	As at 31 March, 2018			As at 31 March, 2017		
		No. of Shares	Amount	Impairment	No. of Shares	Amount	Impairment
NTC-GUJ							
Others	11,792.00		11,792.00	9,900.00		11,792.00	9,900.00
Sub-Total (J)			**11,792.00**	**9,900.00**		**11,792.00**	**9,900.00**
NTC-SRO							
OPG Power Generation Pvt. Ltd. Fully paid up equity shares of ₹ 10 each {at the premium of ₹ 1.50 per share} (Partly paid up ₹ 3.95433 per share in the year 2016-17)	2,841,650.00	247,100	2,841,650.00	-	83,200	329,000.00	-
United Bleachers Limited	120,000.00		120,000.00	120,000.00		120,000.00	120,000.00
Kerala State Handloom Development Corporation Ltd.	5,000.00		5,000.00			5,000.00	
Sub-Total (K)			**2,966,650.00**	**120,000.00**		**454,000.00**	**120,000.00**
B. Investment in Government or Trust Securities							
NTC-DPR							
UCM Sehkari Upbhokta Bandar, Udaipur Fully paid up equity shares of ₹ 10 each	100.00	10	100.00	100.00	10	100.00	100.00
Sub-Total (L)			**100.00**	**100.00**		**100.00**	**100.00**
NTC-MP							
Government Securities	8,100.00		8,100.00	8,100.00		8,100.00	8,100.00
Sub-Total (M)			**8,100.00**	**8,100.00**		**8,100.00**	**8,100.00**
NTC-SRO							
Government Securities	1,000.00		1,000.00			1,000.00	
Sub-Total (N)			**1,000.00**	**-**		**1,000.00**	**-**

Particulars	Cost of Investment	As at 31 March, 2018			As at 31 March, 2017		
		No. of Shares	Amount	Impairment	No. of Shares	Amount	Impairment
NTC- GUJ							
Government Securities	6,811.91		6,811.91	6,811.91		6,811.91	6,811.91
Sub-Total (O)			**6,811.91**	**6,811.91**		**6,811.91**	**6,811.91**
Total 3 (G+H+I+J+K+L+M+N+O)			**4,393,095.91**	**1,267,803.91**		**1,880,445.91**	**1,267,803.91**
Other Non Current Investment							
NTC-SRO							
Western India Ind. Corp. Ltd.	15,000.00		15,000.00	-		15,000.00	-
Others	56,385.00		56,385.00	22,705.00		56,385.00	22,605.00
Sub-Total (P)			**71,385.00**	**22,705.00**		**71,385.00**	**22,605.00**
NTC-WBABO							
Others	98,718.00		98,718.00	98,718.00		98,718.00	98,718.00
Sub-Total (Q)			**98,718.00**	**98,718.00**		**98,718.00**	**98,718.00**
NTC-MP							
Mafatlal Engg. Ind. Limited Fully paid up equity shares of ₹ 100 each	92,900.00	929	92,900.00	92,900.00	929.00	92,900.00	92,900.00
Indore Cloth Market Warehouse Ltd Fully paid up equity shares of ₹ 100 each	2,100.00	21	2,100.00	-	21.00	2,100.00	-
Delhi Ahilya New Cloth market Co ltd Fully paid up equity shares of ₹ 100 each	2,000.00	20	2,000.00	-	20.00	2,000.00	-
Sub-Total R)			**97,000.00**	**92,900.00**		**97,000.00**	**92,900.00**
Total 4 (P+Q+R)			**267,103.00**	**214,323.00**		**267,103.00**	**214,223.00**
Total (1+2+3+4)			**221,274,236.41**	**18,099,217.91**		**217,318,340.66**	**18,099,117.91**

(₹ in Lakh)

Particulars	As at March 31, 2018 Total Value	As at March 31, 2017 Total Value
Total value of Investment	2,212.74	2,173.18
Aggregate amount of Impairment in the value of Investment	180.99	180.99
Carrying value of Investment	**2,031.75**	**1,992.19**
Aggregate amount of Quoted Investment	191.83	177.40
Market value of Investment in Associate	213.82	186.92
Market value of Quoted Investment- Others than Associate	46.41	31.97
Aggregate amount of Unquoted Investment	43.93	18.80
Aggregate amount of Impairment in the value of Investment	180.99	180.99

Note No. 7

Trade Receivables

(₹ in Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017
Non-Current		
Unsecured, considered doubtful	768.19	768.19
Allowances for doubtful debts	(768.19)	(768.19)
Total (Non-Current)	**-**	**-**
Current		
Secured, considered good	153.00	-
Unsecured, considered good	6,012.43	4,465.61
Unsecured, considered doubtful	1,627.11	654.56
Allowances for doubtful debts	(1,627.11)	(654.56)
Total (Current)	**6,165.43**	**4,465.61**

Movement in allowances for doubtful debt

(₹ in Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017
Balance at the beginning of the year	1,422.75	1,256.18
Allowances recognised during the year	974.58	166.57
Amounts recovered during the year	(2.03)	-
Balance at the end of the year	2,395.30	1,422.75

Note No. 8

Loans

(₹ in Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017
Non - Current		
Unsecured (considered good)		
Loans to employees	23.23	23.60
Security deposits	3,518.12	3,366.89
Sub- Total(A)	**3,541.35**	**3,390.49**
Unsecured (doubtful)		
Loans to employees	70.00	69.57
Allowances for doubtful debts	(70.00)	(69.57)
Loans to related parties	1,111.75	1,111.75
Less: Allowance for bad and doubtful loans	(1,111.75)	(1,111.75)

Particulars	As at March 31, 2018	As at March 31, 2017
Others loans	3,725.66	3,726.23
Less: Allowance for bad and doubtful loans	(3,725.66)	(3,726.23)
Sub- Total(B)	**-**	**-**
Total Non-Current (A+B)	**3,541.35**	**3,390.49**
Current		
Secured (considered good)		
Loans to employees	11.77	13.44
Sub- Total(C)	**11.77**	**13.44**
Unsecured (considered good)		
Loans to related parties	179.15	179.15
Loans to employees	356.96	388.74
Security deposits	26.16	25.96
Others*	5,653.81	5,619.57
Sub- Total(D)	**6,216.08**	**6,213.42**
Total Current (C+D)	**6,227.85**	**6,226.86**

Note No. 9

Other Financial Assets

(₹ in Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017
Non-Current		
Bank deposits with more than 12 months maturity	8.05	7.84
Bank deposits with more than 12 months maturity - Earmarked	155.78	155.78
Balance with post office	0.29	0.29
Total	**164.12**	**163.91**
Current		
Interest accrued on short-term deposits, loans and advances	300.76	353.86
Current account with subsidiary companies	100.20	101.24
Claim receivable*	5,038.16	195.53
Others	3,871.59	3,841.93
Total	**9,310.71**	**4,492.56**

Note No. 10

Other Assets

(₹ in Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017
Non-Current		
Capital Advances		
Unsecured, considered good	37.03	87.54
Unsecured, considered doubtful	132.29	149.18
Allowances for doubtful advances	(132.29)	(149.18)
Total	**37.03**	**87.54**
Silver Coins/Vessels	**18.08**	**18.08**
Advance against tax payments	0.66	0.66
Deposit with govt. bodies	541.89	597.28
Less: Provision for deposit with govt. bodies	(150.14)	(133.34)
Sundry deposits	**284.27**	**280.07**
Less: Provision for sundry deposits	(169.19)	(167.34)
Employee's Family welfare fund deposits/securities	116.53	107.56
Commissioner of payment (doubtful)	1,804.53	1,804.53
Less: Provision for doubtful commissioner of payments	(1,804.53)	(1,804.53)
Deposit with PF authorities under protest	85.05	85.05
Less: Provision for deposit with PF authorities	(47.36)	(47.36)
Deposit with ESI authorities	364.16	364.16
Less: Provision for deposit with ESI authorities	(1.31)	(1.31)
Claim receivable from central govt.*	12,027.48	12,027.48
Others	82.07	556.46
Other considered doubtful	901.35	860.69
Less: Provision for doubtful assets	(901.35)	(860.69)
Total	**13,189.22**	**13,774.99**
Current		
Balance with excise authorities	1.53	1.94
Deposit with govt. bodies	417.28	311.30
Advance against tax payments	480.60	196.94
Commissioner of payment (good)	115.66	115.66
Prepaid expenses	**160.57**	**141.21**
Sundry deposits	59.65	68.17
Others	1,058.34	1,195.41
Total	**2,293.63**	**2,030.63**

**Refer not no. 33.27*

Note No. 11

Inventories

(₹ in Lakh)

Particulars	As at March 31, 2018	As at March 31, 2017
Raw materials	7,335.61	7,744.23
Raw materials in transit	187.25	467.78
Work in process	4,522.59	3,801.12
Finished goods	17,921.57	14,884.81
Finished goods in transit	66.60	46.31
Less: Provision for finished goods in transit	(34.34)	(34.34)
Stock in trade	1,451.23	1,405.75
Stock in trade in transit	2.23	6.88
Stores and Spares	721.57	655.58
Less: Provision for obsolete stores and other inventories	(238.03)	(234.33)
Stores and Spares in transit	20.96	54.80
Waste	364.51	322.27
Scrap	123.09	187.35
Total	**32,444.84**	**29,308.21**

Inventory as at March 31, 2018 excludes loss of inventory by fire amounting to ₹ 424.07 Lakh.

Note No. 12

Cash & Cash Equivalents

(₹ in Lakh)

Particulars	As at March 31, 2018	As at March 31, 2017
Cash in hand	15.86	30.75
Cheques, drafts, stamps in hand	0.28	0.61
Remittance in transit	0.65	108.92
Balances with banks	527.95	5,968.77
In fixed deposit with original maturity upto 3 months	11,696.04	21,351.47
Total	**12,240.78**	**27,460.52**

Note No. 13

Bank Balances other than cash and cash equivalents

(₹ in Lakh)

Particulars	As at March 31, 2018	As at March 31, 2017
Employee security deposits	5.17	4.83
In term deposit with original maturity upto 12 months - Earmarked	1,663.92	12,269.94
In term deposit with original maturity more than 3 months upto 12 months	42,494.43	58,654.74
Deposits for margin money	2.91	5.41
Other balances with bank (disputed)*	16.43	16.43
Less: Provision for bank balances	(16.43)	-
Total	**44,166.43**	**70,951.35**

**Refer not no. 33.28*

Note No. 14

Current Tax Assets

(₹ in Lakh)

Particulars	As at March 31, 2018	As at March 31, 2017
Advance tax paid (TDS)	748.49	698.49
Total	**748.49**	**698.49**

Note No. 15

Assets classified as held for sale

(₹ in Lakh)

Particular	As at March 31, 2018			As at March 31, 2017		
	Gross Block	Accumulated Depreciation	Net Block	Gross Block	Accumulated Depreciation	Net Block
Plant & Machinery	1,408.02	1,057.64	350.38	1,183.02	1,057.64	125.38
Furniture & fixtures	0.25	0.17	0.08	0.25	0.17	0.08
Electrical fittings	1.65	1.12	0.53	1.65	1.12	0.53
Office & factory equipments	0.64	0.58	0.06	0.64	0.58	0.06
Transfer Development Right (TDR)	141,348.00	-	141,348.00	141,348.00	-	141,348.00
Total	**142,758.56**	**1,059.51**	**141,699.05**	**142,533.56**	**1,059.51**	**141,474.05**

Note No. 16

Equity Share Capital

(₹ in Lakh)

Particulars	As at March 31, 2018	As at March 31, 2017
Authorized		
Equity shares of ₹ 1000 each 50,000,000 equity share Issued, subscribed and fully paid	500,000.00	500,000.00
Equity shares of ₹ 1000 each 30,621,601 equity shares	306,216.01	306,216.01
Total	**306,216.01**	**306,216.01**

Reconciliation of number of shares:

Particulars	No of Shares	No of Shares
Equity Shares as April 01, 2016	30621601	30621601
Add:- No. of shares, share Capital issued/ subscribed during the year	-	-
Equity shares as March 31, 2017	30621601	30621601
Equity shares as April 01, 2016	30621601	30621601
Add:- No. of shares, share capital issued/ subscribed during the year	-	-
Equity shares as March 31, 2018	30621601	30621601

Shares in the company held by shareholder holding more than 5 percent

Particulars	As at March 31, 2018	As at March 31, 2017
- Government of India	99.76%	99.76%

Note No. 17

Other Equity

(₹ in Lakh)

Particulars	Reserve and Surplus			Equity instruments through OCI	Revaluation Surplus	Remeasurement gain/(loss) on defined benefit plans	Total
	Capital Reserve	Special Reserve u/s 36 (i) (viii) of the Income Tax Act	Retained Earnings				
Balance as at April 01, 2016	345,584.78	242.48	(523,241.41)	21.96	16,722.89	1,049.41	(159,619.89)
Profit and loss for the period	-	-	97,315.63	-	-	-	97,315.63
Other comprehensive income for the year	-	-	-	9.56	-	(387.42)	(377.86)
Total comprehensive income for the year	-	-	97,315.63	9.56	-	(387.42)	96,937.77
Balance as at March 31, 2017	345,584.78	242.48	(425,925.78)	31.52	16,722.89	661.99	(62,682.12)
Balance as at April 01, 2017	345,584.78	242.48	(425,925.78)	31.52	16,722.89	661.99	(62,682.12)
Profit for the year	-	-	(30,693.52)	-	-	-	(30,693.52)
Other comprehensive income for the year	-	-	-	14.43	-	(131.93)	(117.50)
Total comprehensive income for the year	-	-	(30,693.52)	14.43	-	(131.93)	(30,811.02)
Balance as at March 31, 2018	345,584.78	242.48	(456,619.30)	45.95	16,722.89	530.06	(93,493.14)

Note No. 18

Other Financial Liabilities

(₹ in Lakh)

Particulars	As at March 31, 2018	As at March 31, 2017
Non-Current		
Earnest money/security deposit	278.71	279.35
Employees security deposit	14.78	11.36
Total	**293.49**	**290.71**
Current		
Sundry creditors for machinery	531.11	620.66
Trade deposits	678.94	924.48
Earnest money/security deposit	1,032.30	11,015.52
Current account with subsidiary companies	351.48	542.31
Others	19,039.62	24,613.94
Total	**21,633.45**	**37,716.91**

Note No. 19

Provisions

(₹ in Lakh)

Particulars	As at March 31, 2017	As at March 31, 2016
Non-Current		
For employee benefits		
Gratuity	9,018.61	8,984.75
Leave salary/ wages	1,480.80	1,561.04
LTC	47.51	54.48
Terminal benefits	59.00	75.19
Total	**10,605.92**	**10,675.46**
Current		
For employee benefits		
Gratuity	2,839.76	2,891.76
Leave salary/ wages	606.28	700.47
Sick leave	953.84	800.22
LTC	6.65	4.53
Terminal benefits	7.37	7.29
Total	**4,413.90**	**4,404.27**

Note No. 20

Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following: (₹ in Lakh)

Particulars	As at March 31, 2017	As at March 31, 2016
Deferred tax liabilities		
Property, plant and equipment	9,919.32	10,561.37
Sub Total	**9,919.32**	**10,561.37**
Deferred tax assets		
Unabsorbed depreciation as per Income Tax	4,014.12	7,521.14
Carried forward Business loss as per Income Tax	2,539.50	-
Provisions	3,365.70	3,040.23
Sub Total	**9,919.32**	**10,561.37**
Net deferred liabilities/(asset)	-	-

Movement in deferred tax balances for the year ended March 31, 2017 **(₹ in Lakh)**

Particulars	Balance As at April 01, 2016	Recognised in Profit and Loss	Balance As at March 31, 2017
Property, plant and equipment	11,337.75	(776.38)	10,561.37
Provisions	2,988.75	51.48	3,040.23
Unabsorbed depreciation	8,349.00	(827.86)	7,521.14

Movement in deferred tax balances for the year ended March 31, 2018 **(₹ in Lakh)**

Particulars	Balance As at April 01, 2017	Recognised in Profit and Loss	Balance As at March 31, 2018
Property, plant and equipment	10,561.37	(642.05)	9,919.32
Provisions	3,040.23	325.47	3,365.70
Unabsorbed depreciation	7,521.14	(3,507.02)	4,014.12
Carried forward business loss	-	2,539.50	2,539.50

Reconciliation of effective tax rates **(₹ in Lakh)**

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Profit before tax	(30,693.52)	97,315.63
Enacted tax rate	34.61	34.61
Computed expected tax expenses	(10,622.41)	33,678.99
Tax effect of		
-Non-deductible expenses	11.12	12.66
-Others	-	(19,529.71)
Tax due to temporary difference	2,792.69	1,644.41
Tax exempt income	(295.13)	(15,806.36)
Tax expenses for the year	-	-

Note No. 21

Other Liabilities

(₹ in Lakh)

Particulars	As at March 31, 2018	As at March 31, 2017
Non Current		
Employee's family welfare fund deposits/Securities	116.53	107.56
Others	2,546.69	2,527.46
Total	**2,663.22**	**2,635.02**
Current		
Controlled cloth subsidy balance	137.42	137.42
Advance against sale of assets*	1,204.51	1,204.51
Others	10,128.20	10,346.26
Total	**11,470.13**	**11,688.19**

**Refer not no. 33.21*

Note No. 22

Borrowings (Current)

(₹ in Lakh)

Particulars	As at March 31, 2018	As at March 31, 2017
Secured		
Documentary bill purchase from bank	322.84	421.54
Other short term loans from banks	32.10	27.63
(Secured by hypothecation of Stores, Raw Materials, Finished Goods, Work in Progress, Trade Deposits and Fixed Deposit)		
Unsecured		
Cash credit from banks*	75.45	75.45
Loan from Government of India**	27,000.00	27,000.00
Interest accrued and due on loan from Government of India**	44,383.78	39,700.03
Total	**71,814.17**	**67,224.65**

Note No. 23

Trade Payable (Current)

(₹ in Lakh)

Particulars	As at March 31, 2018	As at March 31, 2017
A) Total outstanding dues to MSMEs	136.45	124.01
B) Total outstanding dues to other than MSMEs		
- Sundry creditors for raw material	17,083.84	14,829.89
- Sundry creditors for stores, Spare and Tools	674.83	648.03
- Hank yarn obligations	200.50	80.60
- Others	3,294.08	1,048.97
Total	**21,389.70**	**16,731.50**

Note No. 24

Revenue from Operations

(₹ in Lakh)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
A. Sale of Products (including excise duty upto June 30, 2017)		
Cloth	10,708.66	15,494.21
Yarn	88,876.50	97,337.67
Readymade	3,763.36	1,035.92
Total A	**103,348.52**	**113,867.80**
B. Sale of Services		
Job conversion charges	53.33	0.08
Total B	**53.33**	**0.08**
C. Other Operating Revenue		
Sale of waste	3,219.45	2,975.94
Other	5.44	5.75
Total C	**3,224.89**	**2,981.69**
Total A+B+C	**106,626.74**	**116,849.57**

Note No. 25

Other Income

(₹ in Lakh)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
A. Interest Income		
Interest on bank deposits	4,069.61	8,077.07
Interest on others	551.60	(3,539.90)
Total A	**4,621.21**	**4,537.17**
B. Dividend Income		
Dividend from other companies	0.34	1.43
Dividend from subsidiary companies	852.43	771.14
Total B	**852.77**	**772.57**
C. Other Non Operating Revenue		
Rent income	784.94	950.37
Insurance and other claims	4,956.42	35.83
Sale of scrap and other unserviceable stores	96.39	122.96
Stock deficit recovered	3.00	13.68

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Sundry balances written back	76.77	26.47
Provision written back	19.90	0.52
Cash discount	577.27	403.32
Forfeiture of security deposit (other than sale of assets)	-	1.63
Foreign exchange rate difference (net)	-	22.64
Miscellaneous receipts	292.75	482.31
Total C	**6,807.44**	**2,059.73**
Total A+B+C	**12,281.42**	**7,369.47**

Note No. 26

Cost of Materials Consumed

(₹ in Lakh)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Raw materials/ Semi finished		
Stock at the beginning of the year	8,212.01	4,829.23
Add : Purchases	64,072.69	65,989.79
Less: Stock destroyed due to fire	(36.99)	-
Less : Stock at the end of the year	(7,522.86)	(8,212.01)
Raw materials/ Semi finished consumed - sub total	64,724.85	62,607.01
Packing material consumed	1,344.75	1,316.24
Total	**66,069.60**	**63,923.25**

Note No. 27

Changes in inventories of finished goods, stock in trade and work in progress

(₹ in Lakh)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Opening inventories		
Finished goods		
Cloth	5,029.16	4,929.86
Yarn	9,901.96	16,969.09
Work-in-process	3,801.12	4,902.12
Stock-in-trade	1,412.63	1,434.89
Waste	322.27	442.65
Scrap	187.35	217.77
Total opening inventories (A)	**20,654.49**	**28,896.38**

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Closing inventories		
Finished goods		
Cloth	6,396.78	5,029.16
Yarn	11,591.39	9,901.96
Work-In-Process	4,522.59	3,801.12
Stock-In-Trade	1,453.46	1,412.63
Waste	364.51	322.27
Scrap	123.09	187.35
Total closing inventories (B)	**24,451.82**	**20,654.49**
Loss due to fire (C)	**387.08**	**-**
Total (D)(B+C)	**24,838.90**	**20,654.49**
Total changes in inventories (A-D)	**(4,184.41)**	**8,241.89**

Note No. 28

Employees' Benefit Expenses

(₹ in Lakh)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Salaries and wages	28,951.74	26,470.17
Contribution to provident and other funds	3,094.49	2,838.97
Staff welfare expenses	1,395.48	1,485.34
Total	**33,441.71**	**30,794.48**

Note No. 29

Finance Cost

(₹ in Lakh)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest Expenses		
- Interest on loan from Govt of India	4,683.75	4,683.75
- Interest on bank loan for working capital	129.35	2.55
- Interest on trade credits	7.71	16.17
- Interest on cotton dues	915.59	887.29
- Interest on other loans and deposits	25.07	25.99
- Interest on provident fund and ESI dues	4.84	9.47
- Surcharge on water/electricity etc.	4.40	4.80
- Interest on other	197.40	7,136.32
Total	**5,968.11**	**12,766.34**

Note No. 30

Depreciation and amortization expenses

(₹ in Lakh)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Depreciation on Property, plant and equipment	5,556.15	13,664.35
Depreciation on Investment property	14.55	-
Amortization of Intangible assets	1.45	1.29
Total	**5,572.15**	**13,665.64**

Note No. 30A

Impairment Loss

(₹ in Lakh)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Impairment loss on Capital work in progress	461.41	-
Total	**461.41**	**-**

**Refer not no. 33.05*

Note No. 31

Other Expenses

(₹ in Lakh)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Stores, Spares, Dyes & Chemicals	3,631.76	3,807.99
Power, Fuel and Water	23,313.12	23,199.68
Excise duty	0.13	14.90
Repairs to machinery	517.43	478.51
Repairs to building	319.00	323.19
Repairs to other assets	56.43	60.30
Processing charges	471.39	596.83
Job charges	20.22	32.38
Stiching charges	9.61	7.90
Hank yarn obligation	194.38	75.54

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Rent	200.82	223.62
Rates & taxes	824.40	824.57
Insurance	131.38	150.35
Publication of notices	23.19	40.36
Entertainment expences	22.12	26.59
Hotel and Incidental	29.33	34.85
Payment to Statutory Auditors		
- For Statutory audits	36.90	34.62
- For Tax audits	10.94	10.37
- For Other services	3.00	3.00
- Reimbursement of expenses	5.44	6.50
Payment to other Auditors		
- For Internal audits	26.26	29.15
- For Cost audits	9.19	7.80
- For Taxation work	6.44	3.97
For Management servises	1.15	3.73
Postage, telegram & fax	38.14	39.62
Telephones	70.41	85.82
Printing & stationery	98.52	92.55
Vehicles running & maintenance	60.60	63.91
Legal and professional charges	1,066.43	855.61
Traveling expenses	272.76	259.61
Local conveyance	182.19	168.85
Director's traveling expenses	17.71	25.04
Director's sitting fees	5.52	0.36
Water and electricity charges	215.23	264.93
Miscellaneous expenses	214.53	182.96

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Data processing charges	35.43	36.42
Watch and ward expenses	565.51	485.68
Festival expenses	18.84	20.30
Annual maintenance charges	15.35	11.33
Fee and subscription	22.12	15.77
Filing Fee	0.55	0.51
Other administrative expenses	125.81	121.13
Carrying charges on cotton	28.55	19.43
Training & development	81.67	127.62
Meeting/ committee expenses	29.17	32.77
Bank charges	79.48	57.57
Cash discount allowed	97.61	219.50
Foreign exchange rate difference (net)	3.86	-
Guarantee fee	2.10	1.03
Loss due to fire	4,781.74	-
Provisions		
- Doubtful debts	974.58	165.40
- Other current assets	76.43	1.44
- Obsolete stores	3.83	0.55
Corporate social responsibility	-	0.93
Brokerage	395.29	424.31
Commission on sales	934.16	1,109.18
Sales expenses	123.65	140.40
Publicity expenses	227.94	270.02
Export expenses	13.84	73.11
Other incidental, forwarding expenses	121.45	311.83
Total	**40,865.03**	**35,682.19**

Note No. 32

Exceptional Items

(₹ in Lakh)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Modified voluntary retirement scheme	(386.81)	(926.30)
Profit on sale of assets	2,981.19	141,237.95
Additional compensation on land acquisition	34.39	-
Total	**2,628.77**	**140,311.65**

Note 33: Disclosure Notes

33.1 Contingent Liabilities:

(₹ in Lakh)

	Particulars	As at March 31, 2018	As at March 31, 2017
a)	**Claims against the company not acknowledged as debts including foreign currency claim towards:**		
	- Workmen Compensation	7,307.62	7,006.31
	- Excise and Custom Duty	481.10	516.01
	- Sales Tax/Purchase Tax Disputed	5,680.91	5,673.87
	- Disputed Claims in appeals	76.20	465.40
	- Disputed property tax and other taxes	1,628.71	1,751.38
	- Premium claimed by Government of Maharashtra – New Hind Textile Mills	3,477.62	3,477.62
	- Disputed Market fee under appeal (post nationalisation)	278.54	278.54
	- Claims by the parties for 11 JVs mills for damages towards loss of profits due to cancellation of JVs(plus applicable interest)	51,362.00	51,362.00
	- Interest on Income tax dues – case pending before BIFR	-	-
	- Others	3,951.89	3,622.95
b)	**Guarantees given by Company to Banks/Financial Institutions/Others**	649.81	532.24
c)	**Others**	-	-
	- Disputed Income Tax Demand	4.57	67.61
	- Estimated damages and interest on PF & ESI dues (pre nationalisation)	127.70	118.44
	- Estimated damages on PF & ESI dues (post nationalisation)	10,075.52	10,225.71
	- Electricity Dues (pre nationalisation/ under litigation)	144.27	143.03
	- Liability Towards export obligations	620.29	598.26
	Total	**85,866.75**	**85,839.37**

33.2 Contingent Assets:

Estimated amount of contracts remaining to be executed on capital account and others and not provided for as on reporting periods are as follows :

(₹ in Lakh)

Particulars	As at March 31, 2018	As at March 31, 2017
Estimated amount of contract remaining to be executed on Capital Account	380.56	320.64
Total	**380.56**	**320.64**

33.3 Disclosures in respect of Ind AS 107 - Financial Instruments:

A. Financial Instruments by Categories

The carrying value and fair value of financial instruments by categories are as follows:

(₹ in Lakh as at March 31, 2018)

Particulars	Amortized cost	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
Assets:					
Investments					
– Equity Instruments	-	-	77.28	77.28	77.28
– Government securities	-	-	0.01	0.01	0.01
– Other non current investment	-	-	0.53	0.53	0.53
Cash & Cash Equivalents	12,240.78	-	-	12,240.78	12,240.78
Bank Balances other than cash and cash equivalents	44,166.43	-	-	44,166.43	44,166.43
Trade Receivables	6,165.43	-	-	6,165.43	6,165.43
Loans	9,769.20	-	-	9,769.20	9,769.20
Other Financial Assets	9,474.83	-	-	9,474.83	9,474.83
Liabilities:					
Trade Payables	21,389.70	-	-	21,389.70	21,389.70
Borrowings	71,814.17	-	-	71,814.17	71,814.17
Other Financial Liabilities	21,926.94	-	-	21,926.94	21,926.94

The carrying value and fair value of financial instruments by categories are as follows:

(₹ in Lakh as at March 31, 2017)

Particulars	Amortized cost	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
Assets:					
Investments					
– Equity Instruments	-	-	37.72	37.72	37.72
– Government securities	-	-	0.01	0.01	0.01
– Other non current investment	-	-	0.53	0.53	0.53
Cash & Cash Equivalents	27,460.52	-	-	27,460.52	27,460.52
Bank Balances other than cash and cash equivalents	70,951.35	-	-	70,951.35	70,951.35
Trade Receivables	4,465.61	-	-	4,465.61	4,465.61
Loans	9,617.35	-	-	9,617.35	9,617.35
Other Financial Assets	4,656.47	-	-	4,656.47	4,656.47
Liabilities:					
Trade Payables	16,731.50	-	-	16,731.50	16,731.50
Borrowings	67,224.65	-	-	67,224.65	67,224.65
Other Financial Liabilities	38,007.62	-	-	38,007.62	38,007.62

B. Fair Value Hierarchy

All the financial assets and liabilities for which fair value is measured or disclosed are categorised within the fair value hierarchy described as follows:

– **Level 1 –** Level 1 hierarchy includes financial instruments measured using quoted prices (unadjusted) in active markets.

– **Level 2 –** Level 2 hierarchy includes financial instruments measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

– **Level 3 –** Level 3 hierarchy includes financial instruments measured using inputs that are not based on observable market data (unobservable inputs).

The following table presents fair value hierarchy of financial assets and liabilities measured at fair value:

(₹ in Lakh as at March 31, 2018)

Particulars	Level 1	Level 2	Level 3	Total	Valuation Technique and key inputs
Financial Assets					
Investment in Equity Instruments - Quoted	46.04	-	-	46.04	Market Price
Investment in Equity Instruments - Unquoted	-	-	31.24	31.24	Cost adopted as best estimated of Fair Value
Investments in Government - Unquoted	-	-	0.01	0.01	Cost adopted as best estimated of Fair Value
Others Investments	-	-	0.53	0.53	Cost adopted as best estimated of Fair Value
Total	**46.04**	**-**	**31.78**	**77.82**	

The following table present fair value hierarchy of financial assets and liabilities measured at fair value:

(₹ in Lakh as at March 31, 2017)

Particulars	Level 1	Level 2	Level 3	Total	Valuation Technique and key inputs
Financial Assets					
Investment in Equity Instruments - Quoted	31.60	-	-	31.60	Market Price
Investment in Equity Instruments - Unquoted	-	-	6.12	6.12	Cost adopted as best estimate of fair value
Investments in Government- Unquoted	-	-	0.01	0.01	Cost adopted as best estimate of fair value
Others Investments	-	-	0.53	0.53	Cost adopted as best estimate of fair value
Total	**31.60**	**-**	**6.66**	**38.26**	

Financial assets and liabilities which are measured at amortized cost for which fair values are disclosed:

(₹ in Lakh as at March 31, 2018)

Particulars	Level 1	Level 2	Level 3	Total
Financial assets				
Loans	-	-	9,769.20	9,769.20
Other financial assets	-	-	9,474.83	9,474.83
Total financial assets	-	-	19,244.03	19,244.03
Financial Liabilities				
Trade Payables	-	-	21,389.70	21,389.70
Borrowings	-	-	71,814.17	71,814.17
Other financial liabilities	-	-	21,926.94	21,926.94
Total financial liabilities	**-**	**-**	**115,130.81**	**115,130.81**

Financial assets and liabilities which are measured at amortized cost for which fair values are disclosed:

(₹ in Lakh as at March 31, 2017)

Particulars	Level 1	Level 2	Level 3	Total
Financial assets				
Loans	-	-	9,617.35	9,617.35
Other financial assets	-	-	4,656.47	4,656.47
Total financial assets	-	-	14,273.82	14,273.82
Financial Liabilities				
Trade Payable	-	-	16,731.50	16,731.50
Borrowings	-	-	67,224.65	67,224.65
Other financial liabilities	-	-	38,007.62	38,007.62
Total financial liabilities	-	-	121,963.77	121,963.77

C. Financial risk management

Financial risk factors

The company's activities expose it to a variety of financial risks: credit risk and liquidity risk. The company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

a) Credit Risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables and unbilled revenue. Accordingly, credit risk from trade receivables has been separately evaluated from all other financial assets in the following paragraphs.

Trade Receivables

The company has outstanding trade receivables (net of impairment) amounting to ₹ 6,165.43 lakh, and ₹ 4,465.61 lakh as of March 31, 2018, and March 31, 2017 respectively. Trade receivables are generally unsecured and are derived from revenue earned from customers.

On account of adoption of Ind-AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available credit risk factors such as the Company's historical experience for customers.

Credit risk exposure

An analysis of age of trade receivables at each reporting date is summarized as follows:

(₹ in Lakh)

Particulars	As at March 31, 2018		As at March 31, 2017	
	Gross	Impairment	Gross	Impairment
Not past due	3.70	-	49.73	-
Past due less than three months	3,994.78	-	1,616.55	-
Past due more than three months but not more than six months	1,685.22	-	1,379.53	-
Past due more than six months but not more than one year	140.47	-	1,083.61	-
More than one year	2,736.56	2,395.30	1,758.94	1,422.75
Total	**8,560.73**	**2,395.30**	**5,888.36**	**1,422.75**

Generally trade receivables are impaired after three years when recoverability is considered doubtful based on the Company Trend. The Company considers that all the above financial assets that are not impaired and past due for each reporting dates under review are of good credit quality.(Not past due are the amounts which are yet to be received and is receivable as due date of invoice has not arrived. In case there is no credit period the date of invoice is the due date.)

Other financial assets

Credit risk relating to cash and cash equivalents is considered negligible since our counterparties are banks which are majorly owned by Government of India and are have oversight of Reserve Bank of India. We consider the credit quality of term deposits with such banks to be good, and we review these banking relationships on an ongoing basis. We consider all the above financial assets as at the reporting dates to be of good credit quality.

b) Liquidity Risk

Our liquidity needs are monitored on the basis of yearly projections. The company's principal sources of liquidity are cash and cash equivalents and cash generated from operations.

We manage our liquidity needs by continuously monitoring cash inflows and by maintaining adequate cash and cash equivalents. Net cash requirements are compared to available cash in order to determine any shortfalls.

Short term liquidity requirements consist mainly of Trade payables, expense payables, employee dues arising during the normal course of business as of each reporting date. We maintain a sufficient balance in cash and cash equivalents to meet our short term liquidity requirements.

We assess long term liquidity requirements on a periodical basis and manage them through internal accruals.

The table below provides details regarding the contractual maturities of non-derivative financial liabilities. The table has been drawn up based on the earliest date on which the company can be required to pay the financial liabilities. The table includes both principal & interest cash flows.

(₹ in Lakh as at March 31, 2018)

Particulars	Upto 6 months	More than 6 months upto 1 year	More than 1 year upto 3 years	Total
Trade Payables	20,541.61	848.09	-	21,389.70
Borrowings	71,814.17	-	-	71,814.17
Other Financial Liabilities	16,091.73	5,541.72	293.49	21,926.94
Total	**108,447.51**	**6,389.81**	**293.49**	**115,130.81**

(₹ in Lakh as at March 31, 2017)

Particulars	Upto 6 months	More than 6 months upto 1 year	More than 1 year upto 3 years	Total
Trade Payables	16,720.55	10.95	-	16,731.50
Borrowings	67,224.65	-	-	67,224.65
Other Financial Liabilities	32,579.25	5,137.66	290.71	38,007.62
Total	**116,524.45**	**5,148.61**	**290.71**	**121,963.77**

33.04 Disclosure in respect of Indian Accounting Standard (Ind AS)-21 "The Effects of changes in Foreign Exchange Rates"

During the year, an amount of ₹ 3.86 Lakh on account of exchange differences (net) debited to the Statement of Profit & Loss (Previous year gain of ₹ 22.64 Lakh).

33.05 Disclosure in respect of Indian Accounting Standard (Ind AS)-36 "Impairment of Assets"

During the year, NTC assessed the impairment loss of assets as per the requirement of Ind AS 36 and is of the opinion that no asset of the NTC is required for impairment as the recoverable amount is estimated to be higher than the book value except two (02) Thermax boilers in case of Finlay Mills, Achalpur. The said boilers were purchased by the mill during the year 2009-10 and are being shown under Capital Work in Progress (CWIP) (Plant & Machinery) amounting to ₹ 521.41 Lakh till 31.03.2017 due to non-installation of the same on account of abandoning the project.

Some of the indication of impairment were observed on the above mentioned boilers. In order to assess impairment loss if any, in respect of these boilers an outside agency M/S BTRA was appointed for assessing its fair value as on 31.03.2018. As per its report, BTRA have assessed an estimated value of ₹ 30 Lakh for each Boiler as on March 31, 2018.

Due to decline in carrying value of boilers under CWIP over the years since 2009-10 to 2017-18, an impairment loss of ₹ 461.41 Lakh has been accounted for during 2017-18 and carrying value has been considered ₹ 60 Lakh for both the boilers as on March 31,2018."

33.06 Disclosure in respect of Indian Accounting Standard (Ind AS)- 19 "Employee Benefit Expenses"

A. General description of various defined employee's benefits schemes are as under:

(i) Provident Fund:

The Company's contribution paid/payable during the year to Provident Fund Trust/ Regional Provident Fund and the liability is recognized on accrual basis. The Company's Provident Fund Trusts are exempted under Section 17 of Employees' Provident Fund and Miscellaneous Provisions Act, 1952. The conditions for grant of exemptions stipulate that the employer shall make good deficiency, if any, in the interest rate declared by the Trusts vis-à-vis statutory rate. The company does not anticipate any further obligations in the near foreseeable future having regard to the assets of the funds and return on investment.

(ii) Gratuity:

Gratuity is paid to all employees on retirement/separation based on the number of years of service. The disclosure of information as required under Ind AS-19 has been made in accordance with the actuarial valuation.

(iii) Sick Leave:

Employees who are entitled for sick leave on full pay for each calendar year and can be carried forward/availed till the date of retirement/separation. The liability on this account is recognized on the basis of actuarial valuation.

(iv) Leave Encashment:

Payable on separation to eligible employees who have accumulated earned leave. Encashment of accumulated earned leave is also allowed during service to eligible employees. The liability on this account is recognized on the basis of actuarial valuation.

(v) LTC:

Provided to eligible employees for the sanctioned tours during employment as per the Companies Policy. The liability on this account is recognized on the basis of actuarial valuation.

(vi) Terminal Benefits

Provided to the employees after retirement and may also include relocation expenses if the employee was out stationed from his place of residence. The liability on this account is recognized on the basis of actuarial valuation.

B. Movement in actuarial provisions is disclosed in annexure I. The summarized position of various defined benefits recognized in the Statement of Profit & Loss, Other Comprehensive Income (OCI) and Balance Sheet & other disclosures are as under:

(i) Actuarial Assumption:

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Method used	Projected Unit Credit Method	
Discount rate	7.78%	7.26%
Rate of salary increase	5.50%	5.50%
Rate of Employee Turnover	2.00%	2.00%
Mortality rate during Employment	Indian Assured Lives Mortality Rate (2006-2008)	

(ii) Change in Present Value of Projected Benefit Obligation (₹ in Lakh)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
	Gratuity	
Present value of obligations as at beginning of year	11,876.51	12,339.29
Interest cost	862.23	985.90
Current Service Cost	517.00	418.25
Benefits paid	(2,186.92)	(2,254.35)
Past Service Cost	657.62	-
Actuarial (gain)/loss on Obligations due to change in financial assumption	(289.05)	370.36
Actuarial (gain)/loss on Obligations due to experience	420.98	17.06
Present value of obligations as at end of year	11,858.37	11,876.51

(iii) Net Interest Cost for the period (₹ in Lakh)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
	Gratuity	
Present Value of Benefit Obligation at the beginning of the period	11,876.51	12,339.29
Fair Value of Plan Assets at the beginning of the Period	-	
Net Liability / (Assets) at the beginning	11,876.51	12,339.29
Interest Cost	862.23	985.90
Net Interest Cost for the Current Period	862.23	985.90

(iv) The amounts recognized in the balance sheet (₹ in Lakh)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
	Gratuity	
Present value of obligations as at the end of year	(11,858.37)	(11,876.51)
Fair value of plan assets as at the end of the year	-	
Funded status - Surplus/(Deficit)	(11,858.37)	(11,876.51)
Net Asset/(liability) recognized in balance sheet	(11,858.37)	(11,876.51)

(v) Expenses Recognized in Statement of Profit and Loss (₹ in Lakh)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
	Gratuity	
Current Service Cost	517.00	418.25
Interest cost	862.23	985.90
Past Service Cost	657.62	
Expenses Recognised	2,036.85	1,404.15

(vi) Amount recognized in Other Comprehensive Income (OCI) (₹ in Lakh)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
	Gratuity	
Actuarial (gain)/loss on Obligation for the period	131.93	387.42
Net(Income)/Expenses recognised for the period recognised in OCI	131.93	387.42

(vii) Balance Sheet Reconciliation (₹ in Lakh)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
	Gratuity	
Opening net liability	11,876.51	12,339.29
Expenses recognised in statement of profit and loss	2,036.85	1,404.15
Expenses recognised in Other comprehensive Income	131.93	387.42
Net liability/ (Assets) Transfer In	-	-
Net liability/ (Assets) Transfer out	-	-
Benefit paid directly by the employer	(2,186.92)	(2,254.35)
Net liability/ (assets) recognised in Balance Sheet	11,858.37	11,876.51

(viii) Sensitivity Analysis (₹ in Lakh)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
	Gratuity	
Projected Benefit Obligation on Current Assumptions	11,858.37	11,876.51
Delta Effect of +0.50% change in Discounting	(260.39)	(257.18)
Delta Effect of -0.50% change in Discounting	277.56	273.66
Delta Effect of +0.50% change in rate of Salary Increase	282.38	277.02
Delta Effect of -0.50% change in rate of Salary Increase	(267.06)	(262.54)
Delta Effect of +0.50% change in rate in Rate of Employee Turnover	45.98	31.50
Delta Effect of -0.50% change in rate in Rate of Employee Turnover	(48.99)	(33.60)

(ix) Expected Benefit Payments (₹ in Lakh)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
	Gratuity	
First following year	2,817.52	2,912.85
Second following year	1,204.53	1,002.11
Third following year	1,887.63	1,745.07
Fourth following year	1,491.35	1,558.78
Fifth following year	1,225.58	1,333.70
Sum of 6 to 10 years	3,915.44	3,911.74

(x) Movement in provisions

(a) Gratuity (₹ in Lakh)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Balance at the beginning of the year	11,876.51	12,339.29
(-) Payment during the year	(2,186.92)	(2,254.35)
(+/-) Created/(Written back)	2,168.78	1,791.57
Balance at the end of the year	**11,858.37**	**11,876.51**

(b) Leave Salary/ Wages (₹ in Lakh)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Balance at the beginning of the year	2,261.51	2,352.11
(-) Payment during the year	(761.16)	(759.75)
(+/-) Created/(Written back)	586.73	669.15
Balance at the end of the year	**2,087.08**	**2,261.51**

(c) Sick Leave (₹ in Lakh)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Balance at the beginning of the year	800.22	1,068.63
(-) Availed/Adjusted during the year	(0.79)	(20.18)
(+/-) Created/(Written back)	154.41	(248.23)
Balance at the end of the year	**953.84**	**800.22**

(d) LTC (₹ in Lakh)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Balance at the beginning of the year	59.01	36.24
(-) Payment during the year	(56.07)	(57.55)
(+/-) Created/(Written back)	51.22	80.32
Balance at the end of the year	**54.16**	**59.01**

(e) Terminal Benefit (₹ in Lakh)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Balance at the beginning of the year	82.48	82.15
(-) Payment during the year	(6.18)	(7.72)
(+/-) Created/(Written back)	(9.93)	8.05
Balance at the end of the year	**66.37**	**82.48**

33.07 Disclosure in respect of Indian Accounting standard (Ind AS)-108: "Operating Segments"

Based on the "management approach" as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented for each business segment. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual business segments, and are as set out in the significant accounting policies. The Company has identified two primary business segments i.e. Yarn & Cloth.

Segment Revenue, Segment Results, Segment Assets and Segment Liabilities include the respective amounts identifiable to each of the segments as also amounts allocated on a reasonable basis. The revenue/expenses which are not directly relatable to the Business Segments are shown as unallocated revenue/expenses. Assets & Liabilities that cannot be allocated between the segments are shown as unallocated Assets & Liabilities respectively.

a) Segment Revenue and Expense

Details regarding revenue and expenses attributable to each segment

Segment assets include all operating assets in respective segments comprising of net fixed assets and current assets, loans and advances etc. Assets relating to corporate and others are included in unallocated segments. Segment liabilities include liabilities and provisions directly attributable to respective segment.

Segment revenues and results (₹ in Lakh as at March 31, 2018)

Particulars	Cloth	Yarn	Others	Sub total	Unallocated	Total
REVENUE						
External Sales	10,708.66	88,876.50	3,763.36	103,348.52	-	103,348.52
Other operating revenue		3,278.22		3,278.22	-	3,278.22
Revenue from operations	10,708.66	92,154.72	3,763.36	106,626.74	-	106,626.74
Other income	-		-	-	12,281.42	12,281.42
Total Revenue	**10,708.66**	**92,154.72**	**3,763.36**	**106,626.74**	**12,281.42**	**118,908.16**
Total Revenue from each segment as a percentage of total revenue of all segment	9.01	77.50	3.16	89.67	10.33	100.00
EXPENSES						
Segment expenses	(8,103.44)	(127,702.06)	(3,432.35)	(139,237.85)	(7,024.49)	(146,262.34)
Total Expenses	**(8,103.44)**	**(127,702.06)**	**(3,432.35)**	**(139,237.85)**	**(7,024.49)**	**(146,262.34)**
RESULTS						
Segments results (Profit/(loss))	2,605.22	(35,547.34)	331.01	(32,611.11)	5,256.93	(27,354.18)
Interest expenses (external)	-	-	-	-	(5,968.11)	(5,968.11)
Profit/(loss) before exceptional items and tax	2,605.22	(35,547.34)	331.01	(32,611.11)	(711.18)	(33,322.29)
Exceptional items	-	-	-	-	2,628.77	2,628.77
Net Profit/(loss)	**2,605.22**	**(35,547.34)**	**331.01**	**(32,611.11)**	**1,917.59**	**(30,693.52)**

(₹ in Lakh as at March 31, 2017)

Particulars	Cloth	Yarn	Others	Sub total	Unallocated	Total
REVENUE						
External Sales	15,494.21	97,337.67	1,035.92	113,867.80	-	113,867.80
Other operating revenue		2,981.77		2,981.77	-	2,981.77
Revenue from operations	15,494.21	100,319.44	1,035.92	116,849.57	-	116,849.57
Other income	-	-	-	-	7,369.47	7,369.47
Total Revenue	**15,494.21**	**100,319.44**	**1,035.92**	**116,849.57**	**7,369.47**	**124,219.04**
Total Revenue from each segment as a percentage of total revenue of all segment	12.47	80.76	0.83	94.07	5.93	100.00
EXPENSES						
Segment expenses	(15,501.21)	(129,190.46)	(1,454.10)	(146,145.77)	(8,302.95)	(154,448.72)
Total Expenses	**(15,501.21)**	**(129,190.46)**	**(1,454.10)**	**(146,145.77)**	**(8,302.95)**	**(154,448.72)**
RESULTS						
Segments results (Profit/(loss))	(7.00)	(28,871.02)	(418.18)	(29,296.20)	(933.48)	(30,229.68)
Interest expenses (external)	-	-	-	-	(12,766.34)	(12,766.34)
Profit/(loss) before exceptional items and tax	(7.00)	(28,871.02)	(418.18)	(29,296.20)	(13,699.82)	(42,996.02)
Exceptional items	-	-	-	-	140,311.65	140,311.65
Net Profit/(loss)	**(7.00)**	**(28,871.02)**	**(418.18)**	**(29,296.20)**	**126,611.83**	**97,315.63**

b) Segment assets and liabilities

(₹ in Lakh as at March 31, 2018)

Particulars	Cloth	Yarn	Others	Sub total	Unallocated	Total
SEGMENT ASSETS						
Segment assets	20,123.20	97,388.53	5,298.08	122,809.81	234,197.04	357,006.85
Total Assets	**20,123.20**	**97,388.53**	**5,298.08**	**122,809.81**	**234,197.04**	**357,006.85**
SEGMENT LIABILITIES						
Segment liabilities	61,416.75	118,816.62	5,285.85	185,519.22	171,487.63	357,006.85
Total Liabilities	**61,416.75**	**118,816.62**	**5,285.85**	**185,519.22**	**171,487.63**	**357,006.85**
Capital expenditure	10.32	359.78	1.43	371.53	297.16	668.69
Depreciation/Amortization	1,340.80	3,785.48	23.54	5,149.82	422.33	5,572.15

(₹ in Lakh as at March 31, 2017)

Particulars	Cloth	Yarn	Others	Sub total	Unallocated	Total
SEGMENT ASSETS						
Segment assets	18,121.30	99,852.38	541.08	118,514.76	276,385.84	394,900.60
Total Assets	**18,121.30**	**99,852.38**	**541.08**	**118,514.76**	**276,385.84**	**394,900.60**
SEGMENT LIABILITIES						
Segment Liabilities	18,121.30	99,852.38	541.08	118,514.76	276,385.84	394,900.60
Total Liabilities	**18,121.30**	**99,852.38**	**541.08**	**118,514.76**	**276,385.84**	**394,900.60**
Capital expenditure	30.37	733.69	13.73	777.79	19.68	797.47
Depreciation/Amortization	2,302.92	**10,318.88**	**15.08**	**12,636.88**	**1,028.76**	**13,665.64**

c) Information about major customers

Following are the details of Revenue from Major Customers:- **(₹ in Lakh)**

Major Customer (customer having more than 10% revenue)	For the year ended March 31, 2018	For the year ended March 31, 2017
Major Customer- 1 (Yarn)	10,911.36	12,399.83
% of total revenue	10.23	10.61

33.08 Disclosure in respect of Indian Accounting Standard (Ind AS)- 24 "Related Parties Disclosures"

A Disclosure for Other than Govt. Related Entities

a) Subsidiaries

(₹ in Lakh)

Name of subsidiary	% of shareholding
Aurangabad Textiles & Apparel Parks Ltd.	51
New City of Bombay Mfg. Mills Ltd. (SP – Alok Industries Ltd.)	51
Apollo Design Apparel Parks Ltd.	51
Goldmohur Design & Apparel Parks Ltd.	51
India United Textiles Mills Ltd.	51
Swadeshi Mining & Manufacturing Limited	97.91

b) Associates

(₹ in Lakh)

Name of subsidiary	% of shareholding
Swadeshi Polytex Limited	33.63

c) List of key management personnel

(₹ in Lakh)

Name	Designation
Sh. Sanjay Rastogi	Chairman & Managing Director w.e.f.18.06.2018
Sh. Sanjay Saran	Chairman & Managing Director (From 11.06.2018 to 17.06.2018)
Sh. Sarvepalli Srinivas	Chairman & Managing Director (From 18.12.2017 to 31.05.2018)
Sh. P.C. Vaish	Chairman & Managing Director (Date of cessation-17.12.2017)
Sh. Alokendra Banerjee	Director (Marketing) (Date of cessation-05.05..2017)
Dr. Anil Gupta	Director - Finance
Sh. R K Sinha	Director - Human Resource

d) Government and its related entities

i) Government of India- holds 99.76% of equity shares of the company and exercise control over the company.

ii) Central Public Sector Enterprises (CPSEs) in which Government of India exercise control.

e) Compensation of key management personnel

(₹ in Lakh)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Short-term benefits	89.61	198.43
Post-employment benefits	9.38	16.29
Other long-term benefits	32.07	63.28
Total	**131.07**	**278.00**

f) Loans to Subsidiaries and Associates

(₹ in Lakh)

Particulars	Swadeshi Mining & Manufacturing Limited		Swadeshi Polytex Limited	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Loans at beginning of the year	1,111.75	1,111.75	179.15	179.15
Balance at end of the year including interest	1,111.75	1,111.75	179.15	179.15
Provision for bad and doubtful debts	1,111.75	1,111.75	-	-

g) Transactions with Related Parties

(₹ in Lakh)

Particulars	Apollo Design App Parks Ltd		Goldmohur Design & App Parks Ltd		Aurangabad Textiles & App. Parks Ltd.		New city of Bombay Mfg. Mills Ltd.		India United Textiles Mills Ltd.		Swadeshi Mining & Mfg. Co. Ltd.	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Dividend received	158.48	144.08	164.09	149.17	23.34	21.22	182.39	151.99	324.13	304.68	-	-
Rent received/ receivable	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	-	-
Other transactions - Receipt	1.33	0.14	1.21	0.09	1.42	0.02	1.00	-	1.34	0.53	11.25	31.62
Other transactions - Payment	1.05	0.30	1.05	0.18	1.05	0.37	1.05	-	1.06	0.28	202.08	160.80

h) Outstanding balances

(₹ in Lakh)

Particulars	Apollo Design App Parks Ltd		Goldmohur Design & App Parks Ltd		Aurangabad Textiles & App. Parks Ltd.		New city of Bombay Mfg. Mills Ltd.	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Trade Payables	-	-	-	-	-	-	218.18	218.18
Other Payables	-	-	-	-	-	-	-	-
Other Receivables	0.01	0.30	91.91	92.07	-	0.37	8.27	8.22

(₹ in Lakh)

Particulars	India United Textiles Mills Ltd.		Swadeshi Mining & Mfg. Co. Ltd.		Swadeshi Polytex Ltd.	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Trade Payables	-	-	-	-	-	-
Other Payables	-	-	191.03	375.60	-	-
Other Receivables	-	0.28	57.72	51.46	179.15	179.15

i) Disclosure for transactions entered with Govt. and Govt. Entities

(₹ in Lakh as at March 31, 2018)

Name of Govt/ Govt. Entities	Nature of relationship with the company	Nature of transaction	Amount	Outstanding Balances	
				Receivable	Payable
GOI	Majority owner	Interest on loan	4,683.75	-	71,383.78
GOI	Majority owner	Sales	310.16	50.04	-
CPSEs	Related through GOI	Purchase	22,552.66	-	4,787.51
CPSEs	Related through GOI	Sales	2,873.64	2,456.56	-
CPSEs	Related through GOI	Rent	524.99	79.45	-

(₹ in Lakh as at March 31, 2017)

Name of Govt/ Govt. Entities	Nature of relationship with the company	Nature of transaction	Amount	Outstanding Balances	
				Receivable	Payable
GOI	Majority owner	Interest on loan	4,683.75	-	66,700.03
GOI	Majority owner	Sales	513.16	240.20	513.16
CPSEs	Related through GOI	Purchase	25,586.61	0.82	3,535.46
CPSEs	Related through GOI	Sales	84.69	-	-
CPSEs	Related through GOI	Rent	414.42	14.05	-

33.09 Disclosure in respect of Indian Accounting Standard (Ind AS) 17 “Leases”

A. As lessee

a) Finance leases :

An amount of ₹ 313.85 lakh was paid in financial year 2012-2013 towards upfront fee for land acquired on lease at Achalpur and considering financial lease, the same was classified under PPE. However, in absence of renewal clause, the same had been re-classified as operating lease on the transition date and necessary adjustments were made in the books. Accordingly, ₹ 276.87 lakh had been treated as pre-payment towards lease rent as on 31.03.2017 and ₹ 8.50 lakh had been charged under rent.

During the financial year 2017-18, a renewal clause of 35 years has been entered into the said lease. Accordingly, considering the same as finance lease, the said land has been re-classified as financial lease in the financial statement for the year ending March 31, 2018. Necessary adjustments have been made in the books of the accounts of the company towards re-classification. An amount of ₹ 8.50 Lakh which was previously recognised as rent expenses in the year 2016-17 has been re-classified as depreciation expense. An amount of ₹ 285.37 Lakh has been reinstated as Land (Lease hold) under PPE and ₹ 17.00 Lakh (including depreciation of current year) has been shown as accumulated depreciation on lease hold land. Depreciation on such land has been charged during 2017-18 as per existing provisions.

The company is liable to pay nominal license of ₹1,000/- each year for the above lease during the lease period."

b) Operating lease

Future minimum lease payments under non-cancellable operating leases **(₹ in Lakh)**

Particulars	Aa at March 31, 2018	Aa at March 31, 2017
Not later than 1 year	1.60	1.60
Later than 1 year and not later than 5 years	6.40	6.40
Later than 5 years	6.13	7.73

Payments recognised as an expense for above lease **(₹ in Lakh)**

Particulars	Aa at March 31, 2018	Aa at March 31, 2017
Rent Expenses	1.60	1.60

i) Leasing arrangement: 40 Acres of land is taken on lease by New Minerva Mills, Hassan from Karnataka Industrial Area Development Board, Hassan for 20 years effective from 09.02.2007. The minimum lease payments in the above table, is calculated at an amount of ₹ 1.60 lakh per annum for the remaining lease period.

B. As a lessor

a) Operating leases

i) Gross Block of Land and Building includes the value of land and buildings given on lease for the period of 33 years to the subsidiaries (JV Co's) in 2007 in respect of 5 mills. The subsidiary (JV) wise detail of the same is as under:

Land: **(₹ in Lakh)**

Name of the Mills	Area in sq. mtr. of land	Gross Block Value (₹)	Net Block Value (₹)
Apollo Textile Mills	*18,067	1.72	1.72
Gold Mohur Mills	30,149	1.29	1.29
New City of Bombay Mfg. Mills	27,106	1.00	1.00
Aurangabad Textile Mills	1,08,235	0.04	0.04
India United Mills No.1	86,006	282.84	282.84
Total	**2,69,563**	**286.89**	**286.89**
Previous Year	2,69,563	286.89	286.89

*Excluding set back area

Building: **(Amount in ₹)**

Name of the Mills	Gross Block Value	Accumulated Depreciation	Net Block Value
Apollo Textile Mills	37.14	33.17	3.97
Gold Mohur Mills	1.34	1.05	0.30
New City of Bombay Mfg. Mills	3.60	2.77	0.83
Aurangabad Textile Mills	26.46	24.02	2.44
India United Mills No.1	84.53	80.80	3.73

Total	153.08	141.82	11.26
Previous Year	153.08	140.94	12.14

ii) As per lease agreement between NTC and the 5 subsidiaries (JV Co's) dated 15.11.2007, annual lease rent of ₹ 100 each is receivable for leasing of Land and Building as per details given in the para below. The lease terms are for 33 years and renewable for 2 additional terms of 33 years each in accordance with terms of the present deed.

The lease rents receivable in respect of 5 subsidiaries (JV Co's) companies are as under: **(Amount in ₹)**

Minimum Commitments on Lease	As at March 31, 2018	As at March 31, 2017
Not Later than one year	500	500
Later than 1 year & not later than 5 years	2,000	2,000
Later than 5 years	8,310	8,810

Aggregate amount of rent received during the year under operating lease ₹ 500 (previous year ₹ 500) towards the lease rent received from the subsidiaries (JV Co's) in respect of Apollo Textile Mills, Gold Mohur Mills, New City of Bombay Mfg. Mills, Aurangabad Textile Mills and India United Mills No. 1 and same has been included in Other Income.

33.10 Disclosure in respect of Indian Accounting Standard (Ind AS)-33 "Earnings Per Share (EPS)"

a) Basic & Diluted EPS

The earnings and weighted average number of ordinary shares used in the calculation of basic & diluted EPS and basic & diluted EPS is as follows:-

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Profit /(loss) for the year, attributable to the owners of the company (₹ in Lakh)	(30,693.52)	97,315.63
Weighted average number of ordinary shares for the purpose of basic earnings per share	30,621,601	30,621,601
Basic & Diluted EPS (Amount in ₹)	(100.23)	317.80

33.11 Dues to Micro, Small and Medium Enterprises

As at March 31, 2018 and March 31, 2017 the company has dues to micro, small and medium enterprises amounting to ₹136.45 lakh and ₹ 124.01 lakh respectively including overdue interest thereon of ₹ 0.14 lakh (previous year ₹ 0.01 lakh).

Refer Note No.23

33.12 Discontinued Operations

The company is continuing all activities of operation and hence in the opinion of management Ind AS -105 related to Discontinued Operation is not applicable.

33.13 Assets held for Sale

During the year 2016-17, Transferable Development Right (TDR) of value ₹ 1,41,348 lakh received from Government of Maharashtra (GoM) in consideration of handing over of land admeasuring 48,415 sq. mtrs. (approx.) of India United Mill No. 6 to Mumbai Metropolitan Region Development Authority (MMRDA) for construction of grand memorial of Bharat Ratna Dr. Baba Saheb Ambedkar and the said TDR was classified as “Assets Held for Sale” as the corporation’s intention was to sell the same during 2017-18. The same could not be disposed off on account of involvement of issues like nomination of state government representative in proposed sale committee, selection of sales consultant etc. During the year 2017-18, corporation has initiated the process by constituting a sale committee with State Government (SG) representative. The management remains committed in its plan to finalized the sale of TDR by observing all possible active process to complete the same. The delay in sale of TDR is caused by events/circumstances beyond the NTC’s control and as such asset is available for immediate sale in its present condition and having readily available market for sale, therefore same is being continued as “Assets Held for Sale” during 2017-18 in line with Ind-AS 105. The expenses on realisation of TDR (if any) will be accounted as and when incurred."

"During the year 2016-17, old worn out items of plant & machinery, furniture & fixtures and equipment etc. of net carrying value of ₹ 126.05 lakh which were identified by the company for disposal and accordingly classified as ""Asset held for sale"" as per IND AS 105 could not be disposed off due to issues involved regarding finalization of e-auction service provider for conducting transparent and effective sale of such items. In order to expedite the process, corporation has identified M/s MSTC Ltd,, central PSU for this purpose and management remains committed to its plan to sell the said assets. The delay in sale is caused by events/circumstances beyond the company's control and as such assets are available for immediate sale in its present condition and having readily available market for sale, therefore same is being continued as ""Assets Held for sale"" during 2017-18 in line with IND AS 105.

In addition to above during the current financial year 2017-18, the company has identified old plant and machinery in it's 17 mills of net carrying value of ₹ 225 lakh for which management of the company is committed to sale through e-auction, has been classified under the head ""Assets held for sale"" in line with Ind AS 105."

**Refer Note No.15*

33.14 Tax Liabilities

(a) Board for Industrial and Financial Reconstruction (BIFR) vide order dated 05.09.2008 directed “CBDT to consider to grant exemption to NTC from Wealth Tax, Capital Gain Tax and Section 41(1) of the Income Tax Act and interest thereon.

(b) Central Board for Direct Taxes (CBDT) challenged the directions of Hon’ble BIFR & filed an Appeal (in the form of Miscellaneous Application i.e. MA) before Appellate Authority of Industrial & Financial Reconstruction (AAIFR) praying to delete the Income Tax Relief and stay the operations of Hon’ble BIFR order for granting exemptions of Wealth Tax, Capital Gain Tax and Section 41(1) of Income Tax Act. AAIFR vide its order dated 28.09.2012 has remanded back the case to BIFR to re-examine the same.

(c) As per BIFR order dated 20.10.2014, NTC ceases to be a sick industrial company, within the meaning of Section 3(1) (o) of SICA, as its net worth has turned positive and discharged from the purview of SICA/BIFR with the direction that unimplemented provisions of the Modified Sanctioned Scheme (MS – 2008) to be implemented by all the concerned and all the pending Appeals & Miscellaneous Applications (MAs) have become infructuous. The same has been reiterated in its hearing held on 15.09.2015.

(d) BIFR Order dated 20.10.2014 was challenged by NTC before AAIFR on 19.01.2015. AAIFR in its hearing held on

17.12.2015 has directed that the unimplemented provisions of the Modified Sanctioned Scheme (MS – 2008) shall continue to be monitored by the BIFR for its implementation notwithstanding its discharge from purview of SICA.

(e) No provision has been made in the books of accounts during the current financial year 2017-18.

33.15 Status of sanctioned scheme of BIFR

(a) The Board for Industrial and Financial Reconstruction (BIFR) vide its Order dated 25.7.2002 sanctioned a Rehabilitation Scheme for NTC. The Scheme with Modifications (MS-08) was extended up to 31.3.2012.

(b) However, as per BIFR order dated 20.10.2014, NTC ceases to be a sick industrial company, within the meaning of Section 3(1) (o) of SICA, as its net worth has turned positive and discharged from the purview of SICA/BIFR with the direction that unimplemented provisions of the Modified Sanctioned Scheme (MS – 2008) to be implemented by all the concerned.

(c) BIFR, on application filed by NTC on 07.01.2015 towards implementation of unimplemented portion of sanctioned scheme, in its hearing held on 15.09.2015 reiterated the direction that unimplemented provisions of the Modified Sanctioned Scheme (MS – 2008) to be implemented by all concerned.

(d) BIFR Order dated 20.10.2014 was also challenged by NTC before Appellate Authority for Industrial & Financial Reconstruction (AAIFR) on 19.01.2015. The Order of BIFR was challenged by Rashtriya Mill Mazdoor Sangh, Mumbai before the AAIFR.

(e) AAIFR in its hearing held on 17.12.2015 directed that the unimplemented provisions of the Modified Sanctioned Scheme (MS – 2008) continued to be monitored by the BIFR for its implementation notwithstanding its discharge from purview of SICA.

33.16 Reserve and Surplus

(a) Capital Reserve represents excess of Assets over Liabilities taken over at the time of Nationalization of the Mills and subsequent adjustments thereon and waiver of loans.

33.17 Title Deeds of properties pending for transfer as ownership in Dispute

(a) Transfer of certain immovable properties in favor of the Company is pending as same are under dispute and transfer of some of the quoted/unquoted shares and other investments in the name of Company is under process. However, by virtue of Nationalization Act 1974/1986/1995 the rights, title & interest of the owner in relation to the textile undertakings stand transferred to and vest absolutely in Central Govt. / NTC.

Summarized information is given below:

S. No	Particular of the Assets	Location	Area in Sq. Meter / No. of Qtrs	Book Value (₹ in lakh)	Occupied by NTC (Yes/No)
Title Deeds not available					
1	Land	14/1, New Victoria Mills, Kanpur	49,187	NA	Yes
2	IMU Mill, Indore Land	Mill Area	67,056	Nil	Yes

S. No	Particular of the Assets	Location	Area in Sq. Meter / No. of Qtrs	Book Value (₹ in lakh)	Occupied by NTC (Yes/No)
3	Luxmi Narayan Cotton Mills	Rishra, Dist. Hooghly, West Bengal	41,682.62	1.85	Yes
4	Sodepore Cotton Mills	Rishra, Dist. Hooghly, West Bengal	36,704.84	2.71	Yes
5	Arati Cotton Mills	Dasnagar, Dist. Howrah, West Bengal	54,389.53	67.48	Yes
6	Land	Scope Complex, New Delhi	4,226.35	52.35	Yes
7	Land	Plot No.4, Vijai Nagar	2.90 acre	14,596	No
8	Bunglow	16 Cantt.	12.90 acre	2,94,470	No
9	Land	Plot No.396, Shastri Nagar	1.30 acre	6,553	No
10	Land	Plot No.9, O Block, Geeta Nagar	9.53 acre	47,885	No
11	Bunglow	16/58, Civil Lines	0.73 acre	1,80,918	No
12	Flat*	Asiad Village, New Delhi	234.12	8.27	Yes
Title in Dispute					
1	Freehold Land	Mathura(WRO)	29,188	NA	No
2	Land of KTM & PWM	Kharar	2,16,013.03	1.41	151028.98-NTC 64984.05- Others
3	Land	Nakur Road, Saharanpur	83,122	NA	Yes
4	Land	Darashivpuri, Saharanpur	6,316	NA	Yes
5	Land	Shivpuri Ramghat, Saharanpur	10,567	NA	No
6	BNC Mill, Rajnandgaon	Leasehold Land, Baldeobag	48,873	Nil	Yes

* Papers have been submitted for issuance of title deed to the concerned authority. Title deed is yet to be receive.

(b) Property, Plant and Equipment's at Laxmi Rattan Cotton Mills, Kanpur include land valuing ₹18.35 lakh and non-factory building valuing ₹4.65 lakh (deemed cost ₹ 0.23 lakh), in respect of six properties out of which five properties had been transferred by the erstwhile owners in the pre nationalization period to third parties on the basis of agreement to sell. The matter in respect thereof is under dispute with the respective parties.

The details of land and building are as follows:-

Land & Building description	Status	Total	Land	Building
i) 113/114, General Ganj, Kanpur	Not in possession	1.47	1.17	0.30
ii) 73/12, Collector Ganj, Kanpur	-do-	1.61	1.23	0.37
iii) 16, Cantt, Kanpur	-do-	5.20	2.62	2.58

iv) 16/19, Civil Lines, Kanpur	-do-	2.25	1.77	0.48
v) 15/69, Civil Lines, Kanpur*	-do-			
vi) 15/68, Civil Lines, Kanpur*	Under possession	12.47	11.56	0.91
	Total	**23.00**	**18.35**	**4.65**

*Separate valuation of properties 15/68-69, Civil Lines, Kanpur is not available.

(c) In respect of Lord Krishna Textile Mills, Saharanpur, mutation of ownership in respect of land (including building) incorporating company's name is sub-judice, pending decision of High Court.

(d) At Lord Krishna Textile Mills. Saharanpur, the value of land has been included in the value of building and has not been separately disclosed.

(e) The title of Agricultural land measuring 56 Acres 7 Kanal 21 Marla(2,30,685.97 square meters) of Panipat Woollen Mills, Kharar & Kharar Textile Mills, Kharar is in dispute with erstwhile owner of these mills. This case has been travelled up to Supreme Court and finally Supreme Court had remanded back this matter to trial court. The trial court has dismissed the title suit filed by the erstwhile owner, erstwhile owner has filed an appeal in District Court, Mohali.

33.18 Properties & Assets under unauthorised occupation

(a) Some of the staff Quarters/Workers Chawls/Building Premises/Godowns, shops and land are under unauthorised occupation for which eviction proceedings are pending before Estate Officer / High Court. As and when the outcome of the case is known, necessary adjustments will be made in the books of accounts.

Summarized information is given below:

S. No	Particular of the Assets	Location	Area in Sq. Meter/ No. of Qtrs	Book Value (Amount in ₹)	Occupied by NTC (Yes/No)
1	Freehold Land	7 locations in Maharashtra	2,03,947	9,35,884	No
2	Leasehold Land	2 locations in Maharashtra	2,78,481	2,971	No
3	Land	Akola	596	2,59,816	No
4	Staff Qtrs/Shops/Chawls, etc	18 locations in Maharashtra	76,622	2,407,859	No
5	Staff Qtrs /Shops/Chawls, etc	Akola	635	5,857	No
6	Flat in the Society	Bandra West, Mumbai	165	-	No
7	Chawls/Rooms of Ahd. New Tex.Mill	O/s Raipur Gate,Ahd.	3,115.10	NA	No
8	Chawls/Rooms of Ahd. Jupiter Tex.Mill	O/s Mill,Dudheswar Road,Ahd.	19,770	NA	No
9	Chawls/Rooms of Jehangir Tex.Mill	O/s Mill,Devjipura, Shahibaug,Ahd.	10,319	NA	No
10	Chawls/Rooms of New Manek Chawk Tex.Mill	Opp.Idgah Police Chowky, Ahd.	3,550	NA	No
11	Bardolpura – Godowns	Bardolpura, Ahd.	3,593	NA	No
12	Chawl/ Rooms of Fine Knitting Mills	Outside mill premises, Asarwa, Ahd.	1,133	NA	No
13	Kerala Laxmi Mills	Thrissur	1,21,405	61,700	No

S. No	Particular of the Assets	Location	Area in Sq. Meter/ No. of Qtrs	Book Value (Amount in ₹)	Occupied by NTC (Yes/No)
14	Kerala Laxmi Mills	Thrissur	19,425	9,872	No
15	Kerala Laxmi Mills	Thrissur	2,104	809	No
16	Tirupati Cotton Mills	Renigunta	2023	NA	
17	Tirupati Cotton Mills	Renigunta	8,035.62	NA	No
18	MSK Mills	Gulbarga	400Sq.Feet x 52 qtrs	NA	No
19	MSK Mills	Gulbarga	18,311.85	NA	
20	Minerva Mills	Bangalore	4,006	30,000	
21	Minerva Mills	Bangalore	4,856	36,000	
22	Alagappa Textile	Alagappanagar	1,821	5991	No
23	Azam Zahi	Warrangal	60,217	56,000	No
24	Coimbatore Murugan Mills	Coimbatore	23,674	0	No
25	Land(UCM)	Temple/Play Ground	768.89	60.59	No
26	Land(UCM)	Labour Colony	4,572.90	699.65	No
27	Land(STM)	Khasra N0.347/1	3,442.20	1721	No
28	Land(STM)	Khasra N0.347/1	126.4	63	No
29	Land(STM)	Khasra N0.347/1	126.4	63	No
30	Land(STM)	Khasra N0.347/1	126.4	63	No
31	Land(STM)	Khasra N0.347/1	126.4	63	No
32	Land(STM)	Khasra N0.347/1	126.4	63	No
33	Land(STM)	Khasra N0.347/1	75.9	38	No
34	Land(STM)	Khasra N0.347/1	126.4	63	No
35	Land(STM)	Khasra N0.347/1	126.4	63	No
36	Land(STM)	Khasra N0.347/1	252.9	126	No
37	Land(STM)	Khasra N0.347/1	126.4	63	No
38	Land(STM)	Khasra N0.347/1	126.4	63	No
39	Land(STM)	Khasra N0.347/1	177	88	No
40	Land(STM)	Khasra N0.347/1	151.7	76	No
41	Land(STM)	Khasra N0.347/1	202.3	101	No
42	Land(STM)	Khasra No.165 & 347/1	4,780	2301.65	No
43	Land(STM)	Khasra No.347/1	682.8	341	No

S. No	Particular of the Assets	Location	Area in Sq. Meter/ No. of Qtrs	Book Value (Amount in ₹)	Occupied by NTC (Yes/No)
44	Land(STM)	Khasra No.347/1	394.5	197	No
45	Land(STM)	Khasra No.347/1	335.3	168	No
46	Land(STM)	Khasra No.347/1	139.1	70	No
47	Land(STM)	Khasra No.347/1	139.1	70	No
48	Shop No.27 & 1 Qtr.(KTM)	KTM Colony	104.52	NIL	No
49	Shop No.21 & 1 Qtr.(KTM)	KTM Colony	104.52	NIL	No
50	Shop No.24(KTM)	KTM Colony	29.26	NIL	No
51	Shop No.20(KTM)	KTM Colony	29.26	NIL	No
52	Shop No.23(KTM)	KTM Colony	29.26	NIL	No
53	Agricultural Land (KTM)	Kharar	43,640.52	NIL	No
54	Land(PWM)	Near Prince Mkt,Kharar	5,644.24	NIL	No
55	Land(PWM)	Behind FCI Godown, Kharar	1,103.76	NIL	No
56	Land(PWM)	Khuni Mazra, Kharar	10,435.56	NIL	No
57	Land(PWM)	Badala Road,Kharar	476.98	NIL	No
58	Land(PWM)	Badala Road,Kharar	877.98	NIL	No
59	Quarter(SBCM)	Bijayanagar	64.66	NIL	No
60	Quarter(SBCM)	Bijayanagar	31.91	NIL	No
61	Quarter(SBCM)	Bijayanagar	50.85	NIL	No
62	Quarter(SBCM)	Bijayanagar	47.55	NIL	No
63	Bunglow	16/68, Civil Lines, UP	9613 acre	11,79,723	No
64	Bunglow	1-A, LRCM Officers Colony, UP	NA	NA	No
65	Bunglow	9-A&B, LRCM Officers Colony, UP	12,320 Sq.Mtrs	15,348.00	No
66	Bunglow	10-B, LRCM Officers Colony, UP	NA	NA	No
67	Bunglow	11-B, LRCM Officers Colony, UP	NA	NA	No
68	Bunglow	12,13,14-A&B, LRCM Officers Colony, UP	NA	NA	No
69	Godown	1 & 2, Darshan Purwa, UP	NA	NA	No
70	Servant Quarters	119/1095, Darshan Purwa, UP	NA	NA	No
71	Land	84/22, Fazalganj, Kanpur, UP	19,481 Sq.Mtrs	24,346.00	No
72	Land	73/18, Collectorganj, Kanpur, UP	NA	1,25,906	No
73	Land	14/91, Civil Lines, Kanpur, UP	6,944 Sq.Mtrs	NA	No

S. No	Particular of the Assets	Location	Area in Sq. Meter/ No. of Qtrs	Book Value (Amount in ₹)	Occupied by NTC (Yes/No)
74	Land	14/117, Civil Lines, Kanpur, UP	1,550 Sq.Mtrs	NA	No
75	Bunglow	14/116, Civil Lines, Kanpur, UP	4.57 acre	NA	No
76	Bunglow	14/67, Civil Lines, Kanpur, UP	3.82 acre	NA	No
77	Bunglow	15/1, Civil Lines, Kanpur, UP	1.48 acre	NA	No
78	Bunglow	84/45 & 46, UP	20,939 Sq.Mtrs	14,760.00	No
79	Bunglow	Swadeshi House, UP	5.31 acre	NA	No
80	Land	Anandpuri, UP	6.26 acre	NA	No
81	Land	Shivpuri, Ramghat, Saharanpur, UP	10,567 Sq.Mtrs	NA	No
82	IMU Mill, Indore Quarters	Govind Nagar, Indore, MP	4,126/148	3,468.00	No
83	IMU Mill, Indore Quarters	Malwa Gin, Indore, MP	2,785/29	2,340.00	No
84	Hira Mill, Ujjain,Staff Quarters	Hira Mill campus, MP	739.91/7	406.00	No
85	Hira Mill, Ujjain, LIG Quarters	Arvind Nagar, MP	559.42/11	307.00	No
86	Hira Mills, Ujjain, Chawl Quarters	Chawl Area, MP	9,980.08/459	6,030.00	No
87	Hira Mills, Ujjain, Chawl Quarters	Chawl Area, MP	789.69/33	434.00	No
88	NBT, Bhopal, Mill Quarter 6/10	Mill Staff Colony, MP	72.5	3,000.00	No
89	Mill Quarter	Mill Staff Colony, MP	316.8	13,109.00	No
90	Drainage	Mill Staff Colony, MP	9,146.62	NA	No
91	BT Mill, Burhanpur Mill Chawl Quarter	Lalbag, MP	5,397/248	2,49,828	No
92	BT Mill, Burhanpur, Staff Quarters	Mill Premises, MP	43/1		NA
93	BNC Mill, Rajnandgaon, Quarters	Baldeobag, MP	864/27	Not available separately	No

33.19 Pending disputes with regard to Freehold/ Leasehold land

Summarized information is given below:

S. No	Particular of the Assets	Location	Area in Sq. Meter	Book Value (Amount in ₹)	Occupied by NTC (Yes/No)
1	Freehold land	10 locations in Maharashtra	63,028	2,39,650	Partly
2	Leasehold land	7 locations in Maharashtra	1,90,155	5,02,143	Partly
3	Leasehold land	Barshi Mills, Solapur	734	10	Yes
4	Leasehold land	Digvijay Mills, Mumbai	37,286	-	Yes
5	Leasehold land	Rajnagar Tex. Mill No.1	33,479	NA	Yes
6	Leasehold land	Rajnagar Tex. Mill No.2	34,882	NA	Yes
7	**Leasehold land**	**Petlad Tex. Mill**	**122,154**	**NA**	**Yes**
8	**Leasehold land**	**Viramgam Tex. Mill**	**56,857**	**NA**	**Yes**

33.20 Disclosure in respect to change in Accounting Estimate as per Indian Accounting Standard (Ind AS) - 8

In accordance with its Accounting Policy, the Company has reviewed the useful life of property, plant and equipment (PPE) during the financial year 2017-18. The useful life of PPE except plant & machinery has been reviewed internally and management believes that the useful life of these assets are same as those prescribed in Schedule II to the Act. Useful life of plant & machinery of spinning and weaving business has been technically evaluated by an independent agency. This review indicated that the estimated life of plant & machinery of spinning and weaving business is 20-30 years (on single shift basis), which is different from previous year estimated life and the life prescribed in Schedule II to the Act. As a result, effective 1st April 2017, the Company changed its estimates of the useful life of its plant & machinery to better reflect the estimated periods during which these assets will remain in service.

Accordingly, depreciation on plant and machinery for the year has been calculated as per the residual useful life estimated by the agency. The effect of this change in accounting estimate has an impact of ₹ 6,579.39 Lakhs (reduction in depreciation and amortization expenses) and ₹ 6,579.39 Lakhs (decrease in loss) for the current financial year. The above change in accounting estimate will result in deferment of depreciation and amortization expenses in future periods.

33.21 Advance against sale of Assets pending registration /possession

(a) An advance of ₹121.00 lakh (Previous Year ₹121.00 lakh) was received from M/s Shukla Iron & Steel Co., Naini, Allahabad during the year 2002-03 against agreement to sell surplus land of Swadeshi Cotton Mills, Naini measuring 6.43 acres, for ₹ 320.00 lakh (Previous Year ₹ 320.00 lakh). Subsequently the Sub Divisional Magistrate, Karchana stayed the sale of land on the fact that the land was lease-hold. The matter is still subjudice.

(b) An advance of ₹ 469.00 lakh (previous year ₹ 469.00 lakh) was received by Bijli Cotton Mills, Hathras from M/s. Anand Vrindavan in the years 2003 & 2012, against sale of Land & Building for ₹ 469.00 lakh (previous year ₹ 469.00 lakh). Land is in possession of the purchaser and buildings have been demolished and scrap value realized by the purchaser in terms of the agreement to sell. Value of land and building is pending adjustment in the books of account as the sale deed is yet to be executed as the clarification awaited in this regards.

(c) An amount of ₹ 181.51 lakh received on account of sales of Land in respect of Ahmedabad Jupiter Textile Mills.

(d) The advance of ₹ 197.62 lakh received against sale of 0.78 acres of Land in respect of Netha Spg. Mills pending transfer of title deeds and ₹ 10.38 lakh received against sales of 10 acres land of MSK Mills, is shown as advance against sale of assets.

(e) "Advance of ₹ 225.00 lakh (previous year ₹ 225.00 lakh) represents consideration received towards relinquishment of the rights pertaining to assets of Worli Bungalow, in favor of New City of Bombay Mfg. Co. Ltd. (which has also been approved by the BIFR) is considered as advance as certain conditions of the settlement are yet to be complied with by New City of Bombay Mfg. Co. Ltd. Further, Gross Block of Building, Office Equipments & Furniture Fixtures includes ₹1,85,183 , ₹ 3,067 and ₹ 7,292 respectively (previous year ₹ 1,85,183, ₹ 3,067 and ₹ 7,292 respectively) being assets at Worli Bungalow (New City of Bombay Mfg. Mills) which is not in possession of NTC."

**Refer Note No. 21*

33.22 Other Property Matters

(a) In terms of the consent terms filed in the Hon'ble Supreme Court, during the year 2008-09 a settlement was entered into with M/s. Hall and Anderson Ltd. in respect of the land of Madhusudan Mills and accordingly land area of approx. 27585 sq. mtrs. together with the building and structure standing thereon has been conveyed and transferred to M/s. Hall and Anderson Ltd. and land area of approx 52507 sq. mtrs has been retained by the NTC. However, the total area of the Mills land differs from the area mentioned in the said Agreement. Correction of the same in the Agreement is under process. During the year, there is no further development in the matter.

(b) Shree Sitaram Mills has surrendered approx. 1,11,115 sq. ft. of land along with structures thereon free of cost for 60 ft. D.P. Road network realignment through the Mills to MCGM as per the plan of MCGM dated 14.01.2009. NTC would be entitled for FSI for the said surrender as per norms of MCGM. Since the actual joint measurement of land is pending, effect in the financial statement will be given on actual joint measurement of the land/receipt of FSI from MCGM.

(c) In respect of area of 170.5 sq.ft in Survey No.211 of Coimbatore Murugan Mills, an eviction order has been passed by the Estate Officer. The occupant has gone on appeal before the Court and the matter is pending before the High Court.

(d) In respect of the Textile Mills in Pondicherry Viz. the Swadeshi Cotton Mills and Sri Bharathi Mills, NTC(TN&P) Ltd. had entered into an MOU with the Pondicherry Textile Corporation Ltd. (A Government of Pondicherry Undertaking) on 1st April, 2005 for the transfer of the Mills assets to them (SCHEDULES 1 and 2 to the MOU) for a consideration of ₹ 39.43 Crores. Pursuant to the said MOU, possession and operation of the said two Mills were taken over by the Pondicherry Textile Corporation Ltd. on 1st April 2005. In the meantime, Government of Pondicherry formed another company by name Swadeshee Bharathee Textile Mills Ltd. as per GOM/S No.11/2005-IND-B dated 4.7.2005 and the management of the two mills vested with the said company. Execution of documents for transfer is pending as the consideration has not been received by the Corporation from Govt. of Pondicherry. But it has discharged certain liability of NTC like Gratuity of employee, EPF, ESI and Central Excise etc. The net amount receivable ₹ 34.24 crores from Govt. of Pondicherry is shown as Other financial Assets (current).

(e) Name Change formalities in respect of Land & Buildings valued at ₹ 0.89 lakh taken over from the erstwhile management of Sri Sarada Mills remains to be completed, as the original Title Deeds were deposited by the erstwhile owners with Banks and Financial institution.

(f) Title deeds in respect of (14.88 acres) Land belonging to Azam Jahi Mills is not available.

(g) Parvathi Mills-50 cents of landed property is in attachment by PF authorities for which the Company has obtained stay from High Court of Kerala towards disputed liability of ₹ 21.43 lakh.

(h) In respect of Vijayamohini Mills, the original title deed of properties taken over from the previous owners, though in the name of the company and property tax has been paid up-to-date, are not available.

(i) In respect of Kaleswara 'B', the original title deed of properties taken over from the previous owners, though in the name of the company and property tax has been paid up-to-date, are not available.

(j) Sub-lease rent to the tune of ₹ 84 lakh (previous year ₹ 84 lakh) and relating to the period from 2007-08 till 30.11.2011 is pending receipt from M/s Sheena Home Tex (P) Ltd. The principal amount together with interest

@ 9% p.a. has been claimed in the suit filed by the Company on 31.01.2012 for a sum of ₹ 101.09 lakh (previous year ₹ 101.09 lakh).

(k) Title deeds of land of Muir Mills, Kanpur are in possession of State of Bank of India since the pre nationalization period.

(l) The land of Associated Industries (Assam) Spg. Unit is disputed. Before Nationalisation, the State Govt. of Assam did not allow the Pvt. owner to hold entire land (3858 Bighas approx.) as per prevailing Assam Fixation of ceiling on Land holding Act 1956 and the Pvt. Owner challenged the decision of the state Govt, before Hon'ble High Court Guwahati.In the meantime Nationalisation took place in 1974. Later on the State Govt. allowed NTC only 212 Bighas of land vide order dated 16.07.2004 which was challenged before Hon'ble High Court Guwahati by NTC. On 07.03.2013, the High Court quashed earlier order dt. 16.07.2004 issued by Dy. Commissioner in the case of De-novo and observed that the Assam Fixation of Ceiling on Land holding Act 1956 will not be applicable upon the land of the mill. The Hon'ble High Court remanded back the matter to the Collector and Dy. Commissioner Kamrup (M) for a fresh decision upon hearing all the parties. Now the matter is pending with Collector and Dy Commissioner, Kamrup(M). NTC requested.Collector and Dy.Commissioner vide letter dtd.16-12-2016 for early hearing in the matter.

(m) National Textile Corporation Limited, New Delhi (NTC) handed over 22 mills out of the various mills nationalised under Sick Textile Undertakings (Nationalisation) Act, 1974 and 13 mills out of the various mills nationalised under The Textile Undertakings (Nationalisation) Act, 1995 (total 35 mills) to its erstwhile subsidiaries National Textile Corporation (South Maharashtra) Ltd. and National Textile Corporation (Maharashtra North) Ltd., now known as Western Region Office, Mumbai of the NTC. One of the mills, The Elphinstone Spinning and Weaving Co. Ltd. has filed a Writ Petition (WP) in the High Court of Bombay in the year 1996-97, challenging the nationalization of the said mill. The High Court in its Order has referred that a similar case has been referred for consideration by a larger bench of not less than seven judges in the Supreme Court. In view of this, the High Court has adjourned the case sine die with liberty to the parties to move the High Court in case the Supreme Court delivers the judgement. During the year, there is no further development in the matter.

(n) In respect of land at BNC Mills, Rajnandgaon, Madhya Pradesh, an area of about 1,04,450 sq.ft. was taken over by P.W.D. as per direction of Collector, Rajnandgaon in respect of Plot No.22 which is in the name of Nazul in land record since inception of the Mills and was given on lease to the Mills. However Collector, Rajnandgaon, had agreed vide letter No.Nazul/79/421 dated 17.01.1979 to substitute the land, which is yet to be allotted.

During earlier years, Municipal Corporation Rajnanadgaon had started to construct Community Halls for Muslim Samaj and Bodh Samaj on plot no. 22. Mill had filed Writ Petition before Hon'ble High Court of Chhattisgarh against their act. During the hearing question of renewal of lease was came up, which was expired on 05-02-1996. Hon'ble High Court in Case No. WP 1893/2014 vide order dated 23.09.2014 has directed Distt. Collector to decide the matter of lease within a period of 6 months. After direction of Hon'ble High Court State Govt. had rejected for extending lease period of land vide its order dated 20/21.12.2016 issued by the Secretary , Govt of C.G.Deppt of Revenue , Raipur , even after submission of the Amended Law 2014. Mills had filled a Review application against the order of the State Govt. on dated 11.02.2017 to the Secretary, Revenue Deptt., but not replied by the Govt. so far.

In between the Municipal Corporation again started construction on the land for Boudh Samaj against both the unlawful acts the petition has been filed before Hon'ble High court of C.G. vide no WP(c)1097/2017. The case is under process however vide order dated 03.05.2018 Hon'ble court has stayed in any construction on the said land.

However as per THE TEXTILE UNDERTAKINGS (NATIONALISATION) LAWS (AMENDMENT AND VALIDATION) ACT, 2014: -

“Notwithstanding the transfer and vesting of any sick textile undertaking to the National Textile Corporation by virtue of sub-section (2), the lease-hold rights of the sick textile undertakings shall continue to remain vested in the Central Government on payment of lease-hold rents and shall be discharged, for and on behalf of that Government, by the National Textile Corporation as and when payment of such leasehold rents or any amount becomes due and payable.

Subject to sub-section (3), no court shall have jurisdiction to order divestment from the National Textile Corporation of the property vested in it by the Central Government.

Notwithstanding the fact that the textile operations have been discontinued in any sick textile undertaking being revived, shall for all effects and purposes be deemed that the textile operations are being continued and no suit or proceeding shall be instituted or if instituted be maintainable against the National Textile Corporation on the ground that it has discontinued such activity in the sick textile undertaking.”

As per order of the commissioner, Raipur on 28/08/1993, Nazul Officer handed over land of plot no. 28 (Area 2.5 Acres of Motipur Road) to MP housing Board Rajanandgoan out of which 0.50 Acre area was occupied by MP Housing Board, the rest remains with the Mills.

33.23 Investment Property

Investment Property comprise land admeasuring 2191.12 sq. mtr. and building constructed thereon admeasuring 6189.59 sq. mtr. known as Indian Textile Plaza (ITP), Ahmedabad, acquired by the company during the financial year 2017-18 as balance part of consideration in kind consequent upon transfer of land of erstwhile Jahangir Textile Mills to NBCC in the financial year 2007-08.

A MoU was entered between NTC and NBCC in the year 2007 for transfer of land admeasuring 53240 sq. mtr. of erstwhile Jahangir Textile Mills to NBCC for a consideration of ₹ 25.00 crore and 55000 sq. ft. of super built-up (subsequently revised to app.70,000 sq. ft.) space in up-coming Indian Textile Plaza, Ahmedabad. Consideration of ₹25.00 crore as received from NBCC was accounted during the financial year 2007-08.

However, considering the uncertainty involved with regard to receipt of proposed built-up space at the time of transfer of land, it was deemed fit by the company to defer the recognition of consideration in kind till the time of actual receipt. Since the building was not in existence at the time of realisation of part consideration of ₹ 25.00 crore in cash, the recognition of proposed super built-up space could have led to an over statement of assets and profit of the company, if considered during 2007-08.

During the financial year 2017-18, the title of land admeasuring 2191.12 sq. mtr. along with office building constructed thereon admeasuring 6189.59 sq. mtr. has been transferred in favour of the company and the said property is now in possession of the company.

The above building along with land is currently held for rentals and is classified as investment property as at 31.03.2018. In accordance with the provisions of Ind -AS 40, the above land and building has been accounted for at its fair value as on the date of acquisition after adjustment of any expenses incurred for acquiring. Based on valuation report of independent valuer, fair value of land ₹ 1834.50 lakhs and building ₹ 1165.00 lakhs, totalling to ₹ 2999.50 lakhs has been considered during the financial year 2017-18.

Refer Note No. 4

33.24 Integrated Development Scheme

(a) The Municipal Corporation of Greater Mumbai (MCGM) had approved an Integrated Development Scheme (IDS) of 7 mills. The Lay Out Plans of Mills land (for sale) namely Kohinoor Mill No.3, Jupiter Textile Mills, Mumbai Textile Mills (including land known as Kawali Compound, Marwari Chowka and New Jack Printing Press), Elphinstone Spinning and Weaving Mills (including Mills chawl), Apollo Textile Mills (part sale), Moraraka Bungalow (Apollo Textile Mills) and surrender of New Hind Textile Mills to MHADA & India United Mills No. 2 & 3 to MHADA & MCGM were approved on 27.10.2004 as per provisions of Regulation 58 of Development Control Regulations, 1991. Further same were amended on 17.02.2007, 13.12.2007, 13.05.2009, 27.05.2011 & latest on 14.02.2012.

The status of the land sold and surrendered (with details of accounted and yet to be accounted) under this Scheme is as given below:

Area in sq. mtrs.

S. No.	Particulars	For MHADA from New Hind Tex. Mills	For MHADA from India United Mills No.2&3	For MCGM from India United Mills No. 2&3
a	Total land required to be surrendered as per letter dated 14.02.2012 and to be accounted in the Books.	31,501	7,275	34,584
b	**Less:**			
	i) Surrender required for Kawali Compound (yet to be sold hence shall be accounted on sale of the same)	552	57	543
	ii) Surrender required for retained area of Apollo Textile Mills as and when comes up for development, which is leased to the Joint Venture Company for Mills activity. (yet to be developed hence shall be accounted as and when developed)	NIL	2,989	2,666
	Total (b) (i + ii)	**552**	**3,046**	**3,209**
c	Balance required to be accounted in the Books as per letter dated 14.02.2012 (a-b)	30,949	4,229	31,375
d.	**Less:**			
	Total land accounted during earlier years as surrendered as per letter dated 13.12.2007 for Mills land already sold.	30,949	3,161	30,423
e.	Balance yet to be accounted in the books (same shall be accounted on identification of another Mill in place of India United Mill No. 2 & 3 towards the surrender of MHADA component. (c-d)	NIL	1,068	952

S. No.	Particulars	For MHADA from New Hind Tex. Mills	For MHADA from India United Mills No.2&3	For MCGM from India United Mills No. 2&3
f.	Actual Land Surrendered (including 2226.45 sq. mt of setback area in case of New Hind Textile Mills).	33,727	NIL	61,057
g.	Excess/(short) surrendered (to be adjusted and accounted on approval of the subsequent IDS for remaining Mills land, on identification of the another Mill in place of India United Mill No. 2 & 3 towards the surrender of MHADA component and/or receipt of FSI/TDR towards set back area in case of New Hind Textile Mills.) (f-a)	2,226	(7275)	26,473
h.	Entitlement of Transfer of Development Right (TDR) and Entitlement of Floor Space Index (FSI) in terms of letter dated 14.02.12 (Refer "a" above × 1.33)	TDR	TDR	FSI
	Total	**41,897**	**9,676**	**45,997**
i.	Less entitlement of TDR/FSI:			
	For Kawali Compound (yet to be sold hence shall be accounted on sale of the same. Refer "b i " above × 1.33)	734	75	722
	For retained area of Apollo Textile Mills as and when comes up for development, which is leased to the Joint Venture Company for mills activity. (yet to be developed hence shall be accounted as and when developed Refer "b ii" above × 1.33)	-	3,976	3,546
	For differential balance accounting of land to be surrendered (same shall be accounted on identification of another mill in place of India United Mill No. 2 & 3 towards the surrender of MHADA component. Refer "e "above x 1.33)	NIL	1,420	1,267
	Less: land accounted as surrender but actually not surrendered for MHADA from India United Mills No. 2 & 3 (Column (d) – (f) × 1.33)	NIL (Nil since excess land surrendered)	4,205	NIL (Nil since excess land surrendered)
j.	Balance entitlement of FSI/TDR accounted in the books during earlier years as per letter dated 13.12.2007 and also physically surrendered (Column (d) Ú 1.33)	41,163	NIL (since land not surrendered)	40,462
k.	Less: FSI sale accounted during the year 2011-12.	NIL	NIL	18,580
l.	Balance FSI included in the gross block of land	41,163	NIL	21,882
	Amount in Rupees	**92**	**-**	**21,882**

(b) Gross Block of Land and Building of India United Mills No. 2 & 3 and New Hind Textile Mills includes the cost of above referred additional surrender of land including set back area/the land to be surrendered for Kawali Compound (yet to be accounted) which are physically surrendered to MCGM/MHADA and not in a possession of the NTC are as under:

Description	Gross block (Deemed cost) ₹ in lakh	Accumulated depreciation ₹ in lakh	Net block ₹ in lakh	Area (sq.mtrs)
Land	147.98	-	147.98	30,251
Factory building	2.00	-	2.00	29,595 built-up
Non-Factory building	0.08	-	0.08	1,722 built-up
Total	**150.06**	**-**	**150.06**	**-**
Previous year	150.06	-	150.06	-

(c) Further, in respect of surrender of land of India United Mills No. 2 & 3, the cost of demolition of existing structures, clearing of site and levelling of plot, demolition of existing compound wall, and cost of construction of road setback to land, construction of SWD, laying of sewage line/water line & construction of new compound wall are required to be reimbursed by NTC to MCGM. However, the amount is not ascertainable. Hence, necessary accounting entries shall be made as and when actual expenditure is incurred / reimbursed to MCGM.

(d) New Hind Textile Mill's land was surrendered to MHADA as per the revised IDS during the year 2007-08. The Collector of Mumbai has raised a demand of unearned income amounting to ₹ 3477.62 lakh (previous year ₹ 3477.62 lakh) payable to the Government of Maharashtra (GOM) in terms of section 84 of the Maharashtra Land Revenue Manual. (Appeal has been filed with GOM & concerned authorities for reconsideration and based on legal opinion, NTC does not envisage any liability towards the said demand). However same has been included in the Contingent Liability as claim of unearned income.

33.25 Heritage Structure

Pursuant to the Writ Petition filed by Indian National Trust for Art & Cultural Heritage (INTACH) for declaring certain structures of the various Textile Mills as heritage, the Hon'ble High Court at Bombay on 07.02.2006 granted stay on demolition of 77 structures on the Land of the NTC's Mills at Mumbai. Pending hearing in the matter, the NTC has proposed to the Government of Maharashtra (GOM)/MCGM to consider listing of heritage structures only on one mill instead of 19 mills proposed and considered constructing a textile-cum-heritage museum at that one mill. NTC also offered ₹ 2000.00 lakh for setting up the textile museum, for which the liability has been recognised in the books during the year 2010-11. The GOM having followed due process has issued a notification dated 21.02.2008 declaring only 7 structures of India United Mills No. 2 & 3 as heritage. Accordingly 2 structures at India United Mills No. 2& 3 and all other structures proposed at remaining 18 mills of NTC stands deleted . The petition is now listed for final hearing and is pending before the said Court. During the year, there is no further development in the matter.

33.26 Commissioner of Payments

Other Current Assets include amount claimed from Commissioner of Payments in respect of nine erstwhile subsidiary companies as per details given below:

(₹ in Lakh)

Description	As at March 31, 2018	As at March 31, 2017
Total amount claimed	3,601.58	3,601.58
Amount awarded & received	1,681.39	1,681.39
Rejected & taken-up again for reconsideration	1,804.53	1,804.53
Provision made	(1,804.53)	(1,804.53)
Balance claims pending	115.66	115.66

33.27 Receivables from Central Government:-

In terms of Section 5(2) (c) of the Textile Undertakings (Nationalization) Act, 1995, the liabilities pertaining to the Wages, Salaries, Gratuity and Other Dues for the period from 18.10.83 to 31.03.94 of the employees of 13 Textile Undertakings transferred to Western Region Office, Mumbai and sub-office Kanpur were of the Central Government and NTC would pay the liability on behalf of Central Government as and when it becomes due. As on 31.03.2018, NTC has paid ₹ 10,979.80 lakh (previous year ₹ 10,886.46 lakh) and shown the same as claim receivable from Central Government. In addition to above, the balance of un-discharged liability as on 31.03.2018 amounting to ₹ 1,047.69 lakh (previous year ₹ 1,141.02 lakh) has also been recognized during the earlier years.

The total amount receivable from Central Government as on 31.03.2018 is ₹ 12,027.48 lakh. The amount has been disclosed under the head other non-current assets."

33.28 Bank Balance other than cash & cash equivalent

The Bank balances other than Cash & Cash Equivalents includes balance of ₹ 12.28 lakh with Central Bank of India at Rabindra Sarani branch, Kolkata and ₹ 4.14 lakh at Esplanade branch, Kolkata.These balances had been unilaterally adjusted by the Bank against Pre-Nationalisation dues of the then Ramporia Cotton Mills taken over by NTC in 1974.

The unilateral adjustment by the Bank has been taken-up with the Permanent Machinery of Arbitration (PMA), New Delhi. The PMA has completed the hearing on 20.12.2016 and the same is now pending for the award in the matter.

The company has made the provision against the above deposits during the financial year 2017-18.

33.29 Other Financial Liabilities

(a) Earnest Money/Security Deposit of ₹ 1,032.30 lakh (previous Year ₹ 11,015.52 lakh) includes ₹ 15.00 lakh (previous Year ₹ 15.00 lakh) towards Earnest Money Deposit received against Tender for sale of properties of Mumbai Textile Mills (land at Mathura), and disputes is also pending in this regard.

(b) ₹ 626.20 lakh (previous year ₹ 599.82 Lakh) payable to 1,450 employees (previous year – 1,447 employees) who were relieved under MVRS and did not vacate the staff quarters/chawls and buildings premises etc.

33.30 Hank Yarn Obligations

Company is required to meet Hank Yarn Obligation in packing of yarn as per Government of India Order. The balance unfulfilled obligation is 644.84 Kgs (previous year –643.18 lakh Kgs). However, the Company has taken up the matter with the government through Ministry of Textiles for waiver to meet out the outstanding Hank Yarn Obligation.

33.31 Finance Charges

Government of India has given loan of ₹ 27,000.00 lakh in the earlier years @ 15.5% for ₹ 6,250.00 lakh & 14.5% for ₹ 20,750.00 lakh, in case of default, additional penal rate of 2.75% & 2.50% respectively. These loans were repayable in 4 equal installments after the moratorium period of repayment of one year and are overdue for repayment.

Although the Sanctioned Rehabilitation Modified Scheme (MS-08) requires waiver of loan and interest on the loan outstanding as on 31.03.2007, loans and interest outstanding as on 31.03.2006 has been waived off. Pending approval for waiver by Government of India, interest has been provided during the year for ₹1,140.63 lakh (Previous Year ₹ 1,140.63 lakh) on loan of ₹ 6,250.00 lakh given during the financial year 2006-07. The cumulative interest from 2006-07 to 31.03.2018 on the above loan outstanding is ₹ 12,857.84 lakh (Previous Year ₹ 11,717.21 lakh).

Company has also received loan of ₹ 6,250 lakh and ₹ 14,500.00 lakh during the year 2007-08 & 2008-09 respectively. Company has requested the Government to convert the loan of ₹ 20,750.00 lakh into equity and waive off the accrued interest of ₹ 31,525.95 lakh (previous year – ₹ 27,982.82 lakh) on the above loan. Confirmation is awaited from the Government for the request made by Company and as such, the total interest accrued as on 31.03.2018 is ₹ 44,383.78 lakh (previous year – ₹ 39,700.03 lakh) which is shown under Borrowings (Current).

33.32 Loss of property, plant & equipment and inventories due to fire and corresponding insurance claim

A major fire had erupted in the Synthetic unit of the New Bhopal Textiles Mills, Bhopal in the early hours of 25.02.2018. Due to the incident, the whole of the Synthetic unit had been completely destroyed including majority of plant and machinery, equipment, building, inventories of finished goods, raw material, WIP and other ancillary items. On account of this incident, mill has suffered a loss of an amount of ₹ 4,357.67 lakhs towards Plant and Machinery, Electrical Equipment, Factory Building & Lab Equipments, being net block value as at 25.02.2018 under PPE and ₹ 36.99 Lakhs, ₹ 135.56 Lakhs & ₹ 251.52 Lakhs towards Raw material, WIP & Finished Goods respectively. Loss due the fire has been recognized during the financial year by debiting in the Statement of Profit and Loss under the head Loss due to fire.

The losses incurred by the company are fully covered by two separate insurance policies obtained with New India Assurance Co. Ltd. with reinstatement value clause towards Plant & Machinery and with declaration clause towards raw material and inventories. A claim of ₹ 9,799.20 lakhs towards Plant Machinery, Factory Building, Electrical Fittings and Lab Equipments, being the reinstatement cost, and ₹ 424.07 lakhs towards Raw material, WIP and finished inventory totalling to ₹ 10,223.27 lakhs has already been lodged by the company with insurance company.

"Considering the reasonable certainty of its ultimate collection which is in accordance with the recognition criteria prescribed by the accural basis of accounting issued by ICAI, Insurance claim receivable in respect of above loss by fire amounting to ₹ 4,781.74 Lakh has been recognised by crediting the same to Other Income in the Statement of Profit and Loss account. Insurance claim, realized over/below the amount recognized in the books will be accounted for as and when crystallized. In respect of loss of Property, Plant & Equipment, Factory Building and Lab Equipment on account of fire, the net book value amounting to ₹ 4,357.67 Lakh of such Property, Plant & Equipment as on 25.02.2018 has been written off by debiting the same to Statement of Profit and Loss under the head ""Loss due to Fire".

33.33 Exceptional Items

(a) Profit on sale of Assets

During the year due to acquiring Land & Building of Indian Textile Plaza an amount of ₹ 2,999.50 Lakh shown as exceptional items which represent fair value of land and building so acquired and disclosed as ""Profit on Sale of Asset"" during the year amounting to ₹ 2,982.64 Lakh (Net after Adjustment of Capital Advance ₹ 16.86 Lakh) and Provision written back with respect to said Capital Advance.

(b) Additional compensation received on account of land acquisition

(i) Company has received compensation of ₹ 59.34 Lakh (₹ 14.17 Lakh principal compensation and ₹ 45.17 lakh interest) on account of land acquisition of Panipat Woollen Mills from Govt. of Haryana on May 03, 2018 . The principal amounting to ₹ 14.17 Lakh has been shown under head Additional compensation received on account of land acquisition under exceptional items during the current year.

(ii) Company has received compensation of ₹ 102.51 Lakh (₹ 20.22 Lakh principal compensation and ₹ 82.29 Lakh interest) on account of land acquisition of SR Mill by State of Maharashtra . The principal amounting to ₹ 20.22 Lakh has been shown under head ""Additional compensation received on account of land acquisition ""under exceptional items during the current year.

Interest on both above compensations has been recognised under the head Other income.

(c) Modified Voluntary Retirement Scheme

As per the sanctioned rehabilitation scheme, employees rendered surplus are offered Modified Voluntary Retirement (MVRS). The cost of the scheme provides for compensation to be met from the sale of surplus assets of the company and treated as Exceptional item. During the year, MVRS compensation (Ex-Gratia) of ₹ 386.81 Lakh (previous year ₹ 926.30 lakh) was paid by company.

33.34 Joint Ventures

(a) Company signed an MOU on 14.11.2008 in respect of Joint Ventures arrangements with 3 strategic partners for 11 mills, namely: Chalisgaon Textile Mills, Dhule Textile Mills, Nanded Textile Mills, RBBA Spg. & Wvg. Mills, Savatram Ramprashad Mills, Orissa Cotton Mills, Laxminarain Cotton Mills, Sodepur Cotton Mills, Swadeshi Cotton Mills, Mau, Sri Sarada Mills & Parvathi Mills.

(b) All the 3 MOUs were terminated vide letter dated 14.09.2010, since definitive agreements were not executed within 240 days from the date of execution of the MOU in the manner specified in the MOU.

(c) The strategic partners have filed petitions for Arbitration in 2011 claiming ₹ 51,362.00 lakh (Previous Year ₹ 51,362.00 lakh) for damages towards loss of profit due to cancellation and expenses incurred by them. The proceedings are pending before Arbitration Tribunal. The amount claimed by the parties not accepted but shown as contingent liability. The upfront money of ₹ 840.00 lakh received from the three strategic partners towards surrender of rights of 11 JV mills by the Company refunded to the strategic partner but not accepted and hence, treated as current liabilities payable to them.

33.35 General

(a) Confirmations from trade receivables (current), Loans (current), other non-current assets, other current assets, Cash & cash equivalents, Bank balances other than cash & cash equivalents, Borrowings (current), trade payables (current), other current liabilities, other non-current liabilities etc. have been obtained trade receivables (current) (92.08%), Loans (current) (97.73%), other non-current assets (8.92%), other current assets (42.76%), cash & cash equivalents 100%, bank balances other than cash & cash equivalents (100%), Borrowings (current) (99.89%), trade payables (current) (62.65%), other current liabilities (83.59%), other non-current liabilities (27.79%).

(b) Loans (Current) – Due from Others includes a bridge loan of ₹ 5,610.00 lakh given to British India Corporation Limited (BIC) for settlement of secured creditors as per directions of Ministry of Textiles with the concurrence of Ministry of Finance. The amount was to be repaid out of the amount sanctioned through budgetary allocation to BIC in 2011-12.

In compliance with the observation of CAG, company has considered the reversal of interest of ₹ 3,892.73 lakh (provided upto 31.03.2016) during the financial year 2016-17. However, in terms of various MoUs with

BIC for release of various loans, interest of ₹ 6,111.40 lakh is receivable as on 31.03.2018 (₹ 4,943.45 lakh as on 31.03.2017). Out of this amount interest of ₹ 509.33 lakh (Previous Year:- ₹ 418.61 lakh) has not been acknowledged by BIC.

(c) "Arbitration Award: The arbitration award dated 05.04.2015 was passed by the arbitrators in favour of "M/s. Vimal Construction" for its claim against the Unit amounting to ₹ 171.30 Lakh with simple interest @ 10.00% p.a. from 22.10.2012 till the date of payment.

However against the award of arbitrators, NTC had filed suit in the city civil court vide CMA/379 dated 02.07.2015 to set aside the award of arbitrators and also against the claim of ₹ 327.79 Lakh raised by Vimal Construction vide CMA/376 dtd 02.07.2015.

Subsequently both the case No CMA/379 and CMA/376 dated 02.07.2015 has been transferred to commercial court vide CMA 17/2016 and CMA 24/2016 respectively.

The applications was filed by NTC before commercial court on 02.09.2016. The next hearing of the case has been scheduled to 24.07.2018.

(d) Erstwhile N.T.C.(Gujarat) Ltd. has filed civil suit against M/s. Universal Dyestuff Industries Ltd. , New Bank of India and then Financial Adviser of the Corporation in respect of unauthorized and fraudulent transfer of ₹ 75.00 lacs in the year 1983-84 to M/s. Universal Dyestuff Industries Ltd., and for non-payment of matured fixed deposits issued by UDI Ltd. together with interest. The said amount is shown under the head "Other Non-current asset" in the Others (consider doubtful) and necessary full provision has been made for loss that may arise. In view of full provision, the Corporation has not calculated and provided for the interest accrued thereon.

(e) The Company has defaulted in the payment of outstanding interest on Cash Credit Accounts to State Bank of Mysore in respect of Kaleeswar Mills and Somasundra Mills to the extent of ₹75.45 lakh. The Southern Regional Office has submitted application for waiver of entire interest of ₹ 75.45 lakh.

(f) New Minerva Mills has made export of goods for ₹ 591.40 lakh to two parties in Pakistan during the financial year 2015-16 on the strength of letters of credit issued by a Banker from New Zealand. The Bankers refused to honor their commitment under L/C, recognizing the parties' claim for discounts on the goods exported, on quality related issues. The management is exploring the avenues for recovery of the receivable, and is going for filling legal case. The company has provided provision on the same during the current financial year.

33.36 Previous period's figures have been regrouped and rearranged wherever considered necessary.

As per our separate report of even date attached
For **TIWARI & ASSOCIATES**
Chartered Accountants
Firm Registration Number: 002870N

For and on behalf of Board of Directors of
National Textile Corporation Limited
CIN: U74899DL1968GOI004866

Sd/-
(Sandeep Sandill)
Partner
Membership No.: 085747

Sd/-
(Pankaj Agarwal)
Company Secretary
PAN: ACZPA4484D

Sd/-
(Dr. Anil Gupta)
Director (Finance)
DIN: 07319209

Sd/-
(Sanjay Rastogi)
Chairman & Managing Director
DIN: 07722405

Place: New Delhi
Date: 09.08.2018

ANNUAL ACCOUNTS (CONSOLIDATED)

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INDIAN AUDIT & ACCOUNTS DEPARTMENT
OFFICE OF THE DIRECTOR GENERAL OF COMMERCIAL AUDIT & EX-OFFICIO MEMBER, AUDIT BOARD-II, NEW DELHI

fnukad@**DATE :** 12.10.2018

सेवा में,

अध्यक्ष एवं प्रबंधक निदेशक,
नेशनल टेक्सटाइल कॉरपोरेषन लिमिटेड,
कोर–4, स्कोप कॉम्पलैक्स,
7–लोदी रोड,
नई दिल्ली – 110003

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महोदय,

मैं कम्पनी अधिनियम 2013 की धारा 143 (6) (b) के साथ धारा 129 (4) अधीन 31 मार्च 2018 को समाप्त हुए वर्ष के लिए नेशनल टेक्सटाइल कॉरपोरेशन लिमिटेड के कॉन्सोलिडेटिड फाइलेन्सअल स्टेटमेन्ट पर भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ अग्रेषित करती हूँ। इन टिप्पणियों को कम्पनी की वार्षिक रिपोर्ट में प्रकाशित किया जाए।

भवदीया,

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महानिदेशक वाणिज्यिक लेखा परीक्षा
एवं पदेन सदस्य, लेखा परीक्षा बोर्ड – II
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COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) READ WITH SECTION 129 (4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF NATIONAL TEXTILE CORPORATION LIMITED FOR THE YEAR ENDED 31 MARCH 2018

The preparation of consolidated financial statements of National Textile Corporation Limited for the year ended 31 March 2018 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139 (5) read with section 129 (4) of the Act is responsible for expressing opinion on the financial statements under section 143 read with section 129 (4) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 9th August 2018.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of National Textile Corporation Limited for the year ended 31 March 2018 under section 143(6) (a) read with section 129(4) of the Act. We conducted a supplementary audit of the financial statements of National Textile Corporation Limited (the Company) and of the subsidiaries mentioned in the Annexure -A for the year ended on that date. Further, Section 139(5) and 143(6) (b) of the Act are not applicable to Swadeshi Polytex Limited (the Associate), being private entity, for appointment of their Statutory Auditor and for conduct of supplementary audit. Accordingly, Comptroller and Auditor General has neither appointed the Statutory Auditor nor conducted the supplementary audit of this company. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditor and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditor's report under section 143(6)(b) of the Act.

For and on the behalf of the
Comptroller & Auditor General of India

N. Munshi

(Nandana Munshi)
Director General of Commercial Audit
& Ex-officio Member, Audit Board-II
New Delhi

Place: New Delhi
Date: 12.10.2018

ANNEXURE – A

Name of the Subsidiary companies of which supplementary audit was not conducted

Sl.No	Name of Companies	Type of company
1	Aurangabad Textiles & Apparel Parks Limited	Subsidiary
2	Goldmohur Design & Apparel Parks Limited	Subsidiary
3	New City of Bombay Mfg. Mills Limited	Subsidiary
4	Apollo Design & Apparels Parks Limited	Subsidiary
5	Indian United Textile Mills Limited	Subsidiary

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NATIONAL TEXTILE CORPORATION LIMITED

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying Consolidated Ind AS Financial Statements of **National Textile Corporation Limited** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates and Joint Ventures, comprising of the Consolidated Balance Sheet as at 31st March, 2018, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement for the year ended , the consolidated statement of changes in equity for the year then ended, and significant accounting policies and Additional Notes (hereinafter referred to as "the Consolidated Ind AS Financial Statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Ind AS Financial Statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the Consolidated financial position, Consolidated financial performance including other comprehensive income, Consolidated cash flows and consolidated changes in equity of the Group including its Associates and joint Ventures in accordance with the accounting principles generally accepted in India, including the Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015 (as amended). The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of Consolidated Ind AS Financial Statements. The respective Board of Directors of the companies included in the Group, and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group, its associates and Joint Ventures and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design ,implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Ind AS Financial Statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these Consolidated Ind AS Financial Statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, and the Rules made there under including the Accounting and Auditing Standards and matters which are required to be included in the Audit Report.

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 Consolidated Ind AS Financial Statements are free from material misstatement.

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

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the "Emphasis of Matters" paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Ind AS Financial Statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Ind AS Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the Consolidated state of affairs of the Group, its associates and joint venture as at 31st March, 2018, and its Consolidated financial performance (including other comprehensive income), its Consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Emphasis of Matter

We draw attention to the following matters in the Notes to the Consolidated Financial Statements:

a) *Note No.36.14 consolidated financial statement- National Textile Corporation Limited is having 1718344 Shares constituting 97.91% in Swadeshi Mining & Manufacturing Limited but accounts of this subsidiary could not be consolidated due to non finalization of accounts since 1999-2000.The company is under liquidation and the matter is still sub-judice.*

b) *Notes of Holding Company are not reproduced in Consolidated Financial Statements as a result of which, emphasis of matter reported in Standalone Report cannot be reproduced in Consolidated Financial Statements and reports.*

Our opinion is not modified in respect of these matters.

Other Matters

a) We did not audit the Financial Statements/Financial Information of the following subsidiaries/associate whose Financial Statements / Financial Information reflect the details given below of total assets as at 31st March 2018, total revenues and net cash flows for the year ended on that date to the extent to which they are reflected in the Consolidated Ind AS Financial Statements:

(₹ in lakh)

Name of the Companies	Total Assets	Total Revenues	Net Cash Flows
Associates:			
Swadeshi Polytex limited	-	-	-
Subsidiaries:			
Aurangabad Textiles & Apparel Parks Ltd	1585.89	67.02	11.63
New City of Bombay Mfg. Mills Ltd	9827.43	3625.89	(4.12)
Apollo Design Apparel Parks Ltd.	12138.47	30636.74	121.74
Goldmohur Design & Apparel Park Ltd	13065.21	32080.28	(31.27)
India United Textile Mill Ltd	22195.83	38387.35	28.00
Total	**58812.83**	**104797.28**	**125.98**

These Financial Statements /Financial Information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Ind AS Financial Statements ,in so far as it relates to the amounts and disclosures included in respect of these subsidiary and associate, and our report in terms of sub-sections(3)and (11) of Section143 of the Act, in so far as it relates to the aforesaid subsidiary and associate is based solely on the reports of the other auditors.

Our opinion on the Consolidated Ind AS Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the Financial Statements/Financial Information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report, to the external applicable 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 of the aforesaid Consolidated Ind AS Financial Statements

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Ind AS Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement and the consolidated statement of changes in equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Ind AS Financial Statements.

   d) In our opinion, the aforesaid consolidated Ind AS 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) As per notification no. GSR 463(E) dated 5th June, 2015 issued by Ministry of Corporate Affairs, Government of India, Section 164(2) of the Act is not applicable to the Holding Company. On the basis of the reports of the statutory auditors of its subsidiary companies and associate company incorporated in India, none of the Directors are disqualified as on 31st March, 2018 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 Holding Company, its subsidiary companies and associate company incorporated in India and the operating effectiveness of such controls, as required under Section 143(3)(i) of the Act, refer to our separate report in "**Annexure-A**"

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

I. The consolidated Ind AS financial statements disclose the impact of pending litigations on the Consolidated Financial position of the Holding Company, its Subsidiaries and its associate.

II. The Holding Company, its Subsidiaries and its associate did not have any material foreseeable losses on long term contracts including derivative contracts; and

III. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding, Subsidiary companies and associate company incorporated in India.

For TIWARI & ASSOCIATES
Chartered Accountants
Firm Registration Number: 002870N

Sd/-
(Sandeep Sandill)
Partner
Membership Number 085747

Place: New Delhi
Date: 09.08.2018

ANNEXURE – A TO THE INDEPENDENT AUDITOR'S REPORT

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

THE ANNEXURE A REFERRED TO IN PARAGRAPH 1(F) OF REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS PARAGRAPH OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF NATIONAL TEXTILE CORPORATION LIMITED ON THE CONSOLIDATED IND AS FINANACIAL STATEMENTS (CFS) FOR THE YEAR ENDED 31ST MARCH 2018

In conjunction with our audit of Consolidated Ind AS Financial Statements of the Company as of and for the year ended 31st March 2018, We have audited the internal financial controls over financial reporting of National Textile Corporation Limited ('the Holding Company") and its subsidiaries and its associates, which are companies incorporated in India as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary companies and its associate, which are companies incorporated in India are responsible for laying down and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Group, wherever applicable, 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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Group's internal financial controls over financial reporting, wherever applicable, based on our audit and audit report of the subsidiary companies and associate companies. We conducted our audit in accordance with the Standards on Auditing, to the extent applicable to an audit of internal financial controls and the guidance note on audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note"), both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports, are sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

According to the information and explanations given to us and based on the reports received from the auditors who audited the accounts of the concerned Units/Offices/ Companies under The Group, and based on our audit, the following material weaknesses have been identified as at March 31, 2018:

1. ***In respect of Unit - KERALA LAKSHMI MILLS -***

   Internal Financial Controls over protection of Fixed Assets is not operating effectively in the light of the fact that 4.8 Acres of land belonging to the Unit has been encroached upon by various outsiders. The land had not been properly protected through fencing/ building a boundary wall, as a result of which it is being encroached. Suits have been filed in the court against the occupiers.

2. ***In respect of Unit- Tirupati Cotton Mills, Subsidiary Companies-New City of Bombay Mfg. Mills Limited & India United Textile Mills Ltd.:-***

   The Internal control have not been properly adopted and needs improvement.

3. ***In respect of WRO -***

(i) *Certain Shares held by National Textile Corporation Limited WRO were not in the name of National Textile Corporation Limited (Share certificates were in the name of erstwhile owner) which were shown as Non-Current Investments in the books of the National Textile Corporation Limited's WRO Mumbai and as such internal financial controls over investments appearing in the books not operating effectively which could potentially result in the loss of income and ownership of investments.*

(ii) *Out of Twenty three properties, where title was not in dispute, sixteen were in the name of erstwhile owners and seven were in the name of other parties. In case of two properties details about whether these were Freehold or Leasehold were not available. Also certain lands were encroached and were in the possession of unauthorized occupants. Considering these we are of the opinion that internal financial controls over assets appearing in the books are not operating effectively which could potentially result in the loss of ownership of properties.*

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the *National Textile Corporation Limited* 's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the *National Textile Corporation Limited* has maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2018 based on the internal control over financial reporting criteria established by the Group , its associates and joint ventures 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.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2018 financial statements of the *National Textile Corporation Limited* and these material weaknesses do not affect our opinion on the financial statements of the Company.

For TIWARI & ASSOCIATES
Chartered Accountants
Firm Registration Number: 002870N

Sd/-
(Sandeep Sandill)
Partner
Membership Number 085747

Place: New Delhi
Date: 09.08.2018

Tiwari & Associates
Chartered Accountants

T-8, Green Park Extn.,
New Delhi - 110016, India
Tel.: 26166225
26198237
email: tikaca81@hotmail.com

Compliance Certificate

We have conducted the audit of the accounts of **National Textile Corporation Limited – Consolidated,** New Delhi for the year ended on 31st March, 2018 in accordance with the directions/ sub- directions issued by the C&AG of India under Section 143 (5) of the Companies Act, 2013 and certify that we have complied with all the directions/ sub directions issued to us.

For TIWARI & ASSOCIATES
Chartered Accountants
Firm Registration Number: 002870N

Sd/-
(Krishan Kumar)
Partner
Membership Number 085747

Place: New Delhi
Date: 09.08.2018

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2018

(₹ in Lakh)

Particulars	Note No	As at March 31, 2018	As at March 31, 2017
ASSETS			
Non-Current Assets			
Property, plant and equipment	2	83,246.29	91,498.96
Capital work-in-progress	3	723.53	1,421.06
Investment property	4	2,984.95	-
Intangible assets	5	14.29	15.23
Investment in Associate	6	-	-
Financial assets			
- Investments	7	77.82	38.26
- Trade receivables	8	-	-
- Loans	9	3,690.85	3,539.99
- Other financial assets	10	196.58	196.35
Other non-current assets	11	13,454.37	14,091.47
Current Assets			
Inventories	12	33,301.52	29,907.65
Financial assets			
- Trade receivables	8	58,370.70	63,996.93
- Cash & cash equivalents	13	12,902.49	27,996.23
- Bank balances other than cash & cash equivalents	14	44,226.53	70,951.61
- Loans	9	6,227.85	6,226.86
- Other financial assets	10	9,282.64	4,410.24
Current tax assets (net)	15	754.12	639.30
Other current assets	11	2,356.58	2,051.52
Assets classified as held for sale	16	141,699.05	141,474.05
Total Assets		**413,510.16**	**458,455.71**

Particulars	Note No	As at March 31, 2018	As at March 31, 2017
EQUITY AND LIABILITIES			
Equity			
Equity share capital	17	306,216.01	306,216.01
Other equity	18	(71,632.98)	(40,993.88)
Equity attributable to owners		234,583.03	265,222.13
Non controlling interest	19	22,880.26	22,715.01
Total Equity		**257,463.29**	**287,937.14**
Liabilities			
Non-Current Liabilities			
Financial liabilities			
- Other financial liabilities	20	293.49	290.71
Provisions	21	10,741.72	10,777.57
Deferred tax liabilities (net)	22	194.89	213.56
Other non-current liabilities	23	2,663.22	2,635.02
Current Liabilities			
Financial liabilities			
- Borrowings	24	71,814.17	67,224.65
- Trade payables	25	32,884.14	35,595.13
- Other financial liabilities	20	21,463.63	37,549.33
Other current liabilities	23	11,492.60	11,752.27
Provisions	21	4,499.01	4,480.33
Total Equity and Liabilities		**413,510.16**	**458,455.71**

Significant Accounting Policies 1
Notes to the Financial Satements 36

As per our separate report of even date attached
For **TIWARI & ASSOCIATES**
Chartered Accountants
Firm Registration Number: 002870N

For and on behalf of Board of Directors of
National Textile Corporation Limited
CIN: U74899DL1968GOI004866

Sd/-
(Sandeep Sandill)
Partner
Membership No.: 085747

Sd/-
(Pankaj Agarwal)
Company Secretary
PAN: ACZPA4484D

Sd/-
(Dr. Anil Gupta)
Director (Finance)
DIN: 07319209

Sd/-
(Sanjay Rastogi)
Chairman & Managing Director
DIN: 07722405

Place: New Delhi
Date: 09.08.2018

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in Lakh)

Particulars	Note No.	For the year ended March 31, 2018	For the year ended March 31, 2017
Income			
Revenue from operations	26	211,213.77	253,223.75
Other income	27	11,639.24	6,803.38
Total Income		**222,853.01**	**260,027.13**
Expenses			
Cost of material consumed	28	69,010.31	66,094.66
Excise duty		12.41	68.36
Purchase of stock in trade		99,384.87	129,686.76
Changes in inventories of finished goods, stock in trade and work in progress	29	(4,355.14)	8,239.74
Employees' benefit expenses	30	35,088.97	32,174.31
Finance cost	31	5,968.68	12,766.34
Depreciation & amortization expenses	32	5,859.84	13,944.56
Impairment loss	32A	472.78	-
Other expenses	33	41,920.08	36,739.93
Total expenses		**253,362.80**	**299,714.66**
Profit from continuing operations before share of profit of equity accounted investees and income tax			
Share in profit/(loss) of associate (net of income tax)	6	-	-
Profit/(loss) before exceptional items and tax		(30,509.79)	(39,687.53)
Exceptional items	34	2,628.15	140,311.65
Profit/(loss) before tax		(27,881.64)	100,624.12
Tax expense	35		
(i) Current tax		1,354.33	1,437.42
(ii) Deferred tax		(25.66)	(45.73)
Profit/(loss) for the period from continuing operations		(29,210.31)	99,232.43
Profit/(loss) for the Period (I)		(29,210.31)	99,232.43

Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
- Re-measurement gains/(losses) on defined benefit plans		(111.69)	(382.90)
- Net (loss)/ gain on FVTOCI equity securities		14.43	9.56
Income tax effect on above items	35	(7.01)	(1.51)
Other Comprehensive Income for the year (II)		(104.27)	(374.85)
Total Comprehensive Income for the period (I+II)		**(29,314.58)**	**98,857.58**
Profit attributable to			
Owners		(30,354.78)	97,915.33
Non Controlling Interest		1,144.47	1,317.11
Other Comprehensive income attributable to			
Owners		(110.75)	(376.33)
Non Controlling Interest		6.48	1.47
Total Comprehensive income attributable to			
Owners		(30,465.53)	97,539.00
Non Controlling Interest		1,150.95	1,318.58
Earnings per equity share(for continuing operations) : (Par Value ₹ 1000/- per share)			
(1) Basic		(95.39)	324.06
(2) Diluted		(95.39)	324.06

Significant Accounting Policies 1
Notes to the Financial Satements 36

As per our separate report of even date attached
For **TIWARI & ASSOCIATES**
Chartered Accountants
Firm Registration Number: 002870N

For and on behalf of Board of Directors of
National Textile Corporation Limited
CIN: U74899DL1968GOI004866

Sd/-
(Sandeep Sandill)
Partner
Membership No.: 085747

Sd/-
(Pankaj Agarwal)
Company Secretary
PAN: ACZPA4484D

Sd/-
(Dr. Anil Gupta)
Director (Finance)
DIN: 07319209

Sd/-
(Sanjay Rastogi)
Chairman & Managing Director
DIN: 07722405

Place: New Delhi
Date: 09.08.2018

CASH FLOW STATEMENT FOR THE YEAR ENDING 31ST MARCH, 2018

(₹ in Lakh)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit/Loss before tax and exceptional items	(30,509.79)	(39,687.53)
Adjustment for:-		
Depreciation and amortization	5,859.84	13,944.56
Finance cost	1,284.93	8,082.59
Interest & other income	(4,770.59)	(4,729.07)
Dividend received	(0.34)	(1.43)
Remeasurement of net defined benefit plans	(111.69)	(382.90)
Provision for income tax	(1,354.33)	(1,437.42)
Operating Profit before working capital changes	**(29,601.97)**	**(24,211.19)**
Cash Flow from working capital changes		
Adjustment for:-		
(Increase)/Decrease in inventories	(3,393.87)	5,119.23
(Increase)/Decrease in Trade receivables	5,626.23	10,272.96
(Increase)/Decrease in loans, financial assets and other asset	(935.59)	3,360.39
(Increase)/Decrease in Other bank balances	26,725.08	32,026.53
(Increase)/Decrease in non-current loans, financial assets and other assets	486.01	370.27
Increase/(Decrease) in Trade payables	(2,710.99)	(14,572.79)
Increase/(Decrease) in borrowing, other financial liabilities, other liabilities and provision	(11,648.60)	12,391.18
Increase/(Decrease) in non-current financial liabilities,other liabilities and provision	(21.70)	(1,239.70)
Increase/(Decrease) in current tax liabilities	-	(80.61)
Net Cash From Operating Activities	**(15,475.41)**	**23,436.27**
Adjustment for exceptional items	(352.42)	(926.30)
Net Cash flow from operating Activities (i)	**(15,827.83)**	**22,509.97**

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant & equipment, CWIP and intangible asset	(1,528.98)	(2,483.28)
Sale of property, plant & equipment, and asset held for sale	50.03	63.64
Sundry Creditors for machinery	(88.55)	(9.16)
Sale/ Purchase of investments	(25.13)	(3.28)
Interest income	4,770.59	4,729.07
Divident received	0.34	1.43
Net Cash from investing activities (ii)	**3,178.30**	**2,298.42**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Dividend and DDT paid	(1,159.27)	(1,048.72)
Finance cost	(1,284.93)	(8,082.59)
Net Cash from financing activities (iii)	**(2,444.20)**	**(9,131.31)**
D. Net changes in Cash & Cash Equivalents (i+ii+iii)	**(15,093.73)**	**15,677.08**
E. Opening Cash & Cash Equivalents (Note No 13)	**27,996.23**	**12,319.15**
F. Closing Cash & Cash Equivalents (Note No 13)	**12,902.49**	**27,996.23**

The accompanying notes are an integral part of these consolidated financial statements

Notes:

– The cash flow statement has been prepared under the indirect method as set out under Indian Accounting Standard (Ind AS-7 - Cash flow statement) statement of cash flows.

– Previous year figures have been regrouped and rearranged wherever considered necessary. In investing activities, the effect of sale of TDR has been removed from the cash flow statement in view of non-cash nature of the same.

As per our separate report of even date attached
For **TIWARI & ASSOCIATES**
Chartered Accountants
Firm Registration Number: 002870N

For and on behalf of Board of Directors of
National Textile Corporation Limited
CIN: U74899DL1968GOI004866

Sd/-
(Sandeep Sandill)
Partner
Membership No.: 085747

Sd/-
(Pankaj Agarwal)
Company Secretary
PAN: ACZPA4484D

Sd/-
(Dr. Anil Gupta)
Director (Finance)
DIN: 07319209

Sd/-
(Sanjay Rastogi)
Chairman & Managing Director
DIN: 07722405

Place: New Delhi
Date: 09.08.2018

Consolidated Statement of Change in Equity

A. Equity Share Capital

(₹ in Lakh)

Particulars	Amount
As at 1st April, 2016	306,216.01
Changes in equity share capital	-
As at 31st March, 2017	306,216.01
Changes in equity share capital	-
As at 31st March, 2018	**306,216.01**

B. Other Equity as at March 31, 2018

(₹ in Lakh)

Particulars	Reserve and Surplus						Equity instruments through OCI	Revaluation Surplus	Remeasurement gain/ (loss) on defined benefit plan	Total	Attributable to Owners	Non-Controlling Interest
	General Reserve	Capital Reserve	Special Reserve u/s 36 (i) (viii) of the Income Tax Act	Capital Redemption Reserve	Securities Premium Reserve	Retained Earnings						
Balance as at April 01, 2016	**3,575.10**	**347,706.95**	**242.48**	**109.75**	**30,357.62**	**(523,144.42)**	**21.96**	**16,722.89**	**1,040.48**	**(123,367.19)**	**(140,143.39)**	**16,776.20**
Changes in accounting policy or prior period errors*	(1,670.69)	-	-	(109.75)	-	7,322.31	-	-	-	5,541.87	1,767.48	3,774.39
Restated balance as at April 01, 2016	**1,904.41**	**347,706.95**	**242.48**	**-**	**30,357.62**	**(515,822.11)**	**21.96**	**16,722.89**	**1,040.48**	**(117,825.32)**	**(138,375.91)**	**20,550.59**
Profit and loss for the period	-	-	-	-	-	99,232.43	-	-	-	99,232.43	97,915.33	1,317.10
Other comprehensive income for the year	-	-	-	-	-	-	9.56	-	(384.41)	(374.85)	(376.31)	1.46
Total comprehensive income for the year	-	-	-	-	-	99,232.43	9.56	-	(384.41)	98,857.58	97,539.02	1,318.56
Dividend and DDT	-	-	-	-	-	(1,048.72)	-	-	-	(1,048.72)	(156.99)	(891.73)
Balance as at March 31, 2017	**1,904.41**	**347,706.95**	**242.48**	**-**	**30,357.62**	**(417,638.40)**	**31.52**	**16,722.89**	**656.07**	**(20,016.46)**	**(40,993.88)**	**20,977.42**

* The difference in opening balances of other equity is on account of change in consolidation method of Swadeshi Polytex Ltd. (for details refer note. 6.)

(₹ in Lakh)

Particulars	Reserve and Surplus						Equity instruments through OCI	Re-valuation Surplus	Remeasurement gain/ (loss) on defined benefit plan	Total	Attributable to Owners	Non-Controlling Interest
	General Reserve	Capital Reserve	Special Reserve u/s 36 (i) (viii) of the Income Tax Act	Capital Redemption Reserve	Securities Premium Reserve	Retained Earnings						
Balance as at April 01, 2017	1,904.41	347,706.95	242.48	-	30,357.62	(417,638.40)	31.52	16,722.89	656.07	(20,016.46)	(40,993.88)	20,977.42
Profit for the year	-	-	-	-	-	(29,210.31)	-	-	-	(29,210.31)	(30,354.81)	1,144.50
Other comprehensive income for the year	-	-	-	-	-	-	14.43	-	(118.70)	(104.27)	(110.77)	6.50
Total comprehensive income for the year	-	-	-	-	-	(29,210.31)	14.43	-	(118.70)	(29,314.58)	(30,465.58)	1,151.00
Dividend and DDT	-	-	-	-	-	(1,159.27)	-	-	-	(1,159.27)	(173.52)	(985.75)
Any other changes	12.46	-	-	-	-	(12.46)	-	-	-	-	-	-
Balance as at March 31, 2018	**1,916.87**	**347,706.95**	**242.48**	**-**	**30,357.62**	**(448,020.44)**	**45.95**	**16,722.89**	**537.37**	**(50,490.31)**	**(71,632.98)**	**21,142.67**

As per our separate report of even date attached
For **TIWARI & ASSOCIATES**
Chartered Accountants
Firm Registration Number: 002870N
Sd/-
(Sandeep Sandill)
Partner
Membership No.: 085747
Place: New Delhi
Date: 09.08.2018

For and on behalf of Board of Directors of
National Textile Corporation Limited
CIN: U74899DL1968GOI004866

Sd/-
(Pankaj Agarwal)
Company Secretary
PAN: ACZPA4484D

Sd/-
(Dr. Anil Gupta)
Director (Finance)
DIN: 07319209

Sd/-
(Sanjay Rastogi)
Chairman & Managing Director
DIN: 07722405

Notes to the Consolidated Financial Statements for the year ended March 31, 2018

Note No 1 - Significant Accounting Policies

- **General Information**

National Textile Corporation Limited, (NTC) “the company” is a Schedule ‘A’ public sector company under the ambit of Ministry of Textile, Government of India, engaged in production of yarn and fabric through its mills in operation, located all over India producing yarn and fabric. NTC also manufactures garments through its JV Companies.

In addition, National Textile Corporation has well established retail network throughout the country with its retail stores.

National Textile Corporation was established in 1968 to look after the functioning of sick textile mills acquired through three Nationalisation Acts. The mills which were not in a position to revive have been closed subsequently.

1. Significant Accounting Policies

1.1. Statement of Compliance and basis of preparation of Consolidated Financial Statements

The Consolidated Financial Statements (CFS) of National Textile Corporation Limited and its 5 subsidiaries and 1 Associate Company have been prepared Indian Accounting Standard (Ind AS) as notified by Ministry of Corporate Affairs pursuant to section 133 of Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 and the relevant amendment rules thereafter. Accounting policies have been applied consistently to all periods presented in these financial statements. The Financial Statements are prepared under historical cost convention from the books of accounts maintained under accrual basis except for certain financial instruments which are measured at fair value and in accordance with the Indian Accounting Standards prescribed under the Companies Act, 2013, except otherwise stated.

i) Basis of preparation of Consolidated Financial Statements

The Consolidated Financial Statements represent consolidation of accounts of National Textile Corporation Limited, its subsidiaries, and associate as detailed below:

S. No.	Name of Company	Country	No. of Shares	% of Shareholding	Relation
1.	Aurangabad Textiles & Apparel Parks Ltd	India	1060800	51	Subsidiary
2.	New City of Bombay Mfg. Mills Ltd	India	4676700	51	Subsidiary
3.	Apollo Design Apparel Parks Ltd.	India	2881500	51	Subsidiary
4.	Goldmohur Design & Apparel Parks Ltd.	India	2983500	51	Subsidiary
5.	India United Textiles Mills Ltd.	India	6482610	51	Subsidiary
6.	Swadeshi Polytex Limited	India	1311750	33.63	Associate

Note : NTC is having 17,18,344 shares (97.91%) in Swadeshi Mining & Manufacturing Limited but the accounts of this subsidiary company could not be consolidated due to non-finalization of accounts since 1999-2000. The company was under liquidation and the matter is still sub-judice.

ii. Principles of Consolidation and equity accounting

a) Subsidiaries

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The group combines the financial statements of the Holding Company and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and consolidated balance sheet respectively.

b) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment.

When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the group and its associates are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in note 1.19 below.

1.2. Use of estimates and judgment

The preparation of financial statements requires judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised.

Current versus non-current classification.

The company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

The company classifies all other liabilities as non-current.

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

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

1.3. Functional and presentation currency

These financial statements are presented in Indian rupees, the national currency of India, which is the functional currency of the Company.

1.4. Purchase of Raw Materials

Purchase of Raw Materials is accounted for on invoice value except in the case of supplies from Government agencies where it is accounted on the basis of Pro-forma invoice in the absence of invoice.

1.5. Revenue Recognition

Sale of Goods

i) Sales Revenue is recognized, in the case of direct sale on raising of invoice and delivery of goods and in respect of depot/ consignment sales, revenue is recognized on the basis of "Accounts Statement" from Depot/Consignment Agent confirming the sale.

ii) Export sales are accounted for at FOB value basis.

Interest Income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition. Dividend Income

Dividend Income is recognized when the company's right to receive the payment is established which is generally when shareholders approve the dividend.

Rent Income

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature.

1.6. Property, Plant and Equipment

All Property, Plant and Equipment (PPE) are stated at carrying value i.e. original cost net of tax / duty credit availed, less accumulated depreciation and accumulated impairment losses.

The cost of an item of property, plant and equipment is recognized as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The cost of an item of PPE is the cash price equivalent at the recognition date. The cost of an item of PPE comprises:

i) Purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts, rebates, Excise and Custom duty where CENVAT credit on capital goods is availed, except taken over as a result of nationalisation, which are stated at values then approved by board and re-valued asset at revalue price less accumulated depreciation and impairment (if any).

ii) Costs directly attributable to bringing the PPE to the location and condition necessary for it to be capable of operating in the manner intended by management.

The company has chosen the cost model for recognition and this model is applied to all class of assets. After recognition as an asset, an item of PPE is carried at its cost less any accumulated depreciation and any accumulated impairment losses.

Capital work in progress is stated at cost and such cost includes the cost of property, plant and equipment under installation/ under development as at the balance sheet date.

Stores and Spares

Significant spare parts qualify as property, plant and equipment when an entity expects to use them during more than one period and when they can be used only in connection with an item of property, plant and equipment.

Major repairs and overhauling cost

Cost of major repairs/overhauling is capitalised with consequent de-recognition of any remaining carrying amount of the cost of the previous inspection/repairs. The total cost of inspection/repairs is considered as a separate component.

1.7. Intangible Assets

All Intangible assets are stated at carrying value i.e. original cost net of tax / duty credit availed, less accumulated depreciation and accumulated impairment losses.

Identifiable intangible assets are recognized when the company controls the asset; it is probable that future economic benefits expected with the respective assets will flow to the company for more than one economic period; and the cost of the asset can be measured reliably. At initial recognition, intangible assets are recognized at cost. Intangible assets are amortized on straight line basis over estimated useful life of 5 years and for the assets which are having more life, the periodicity may be decided after seeking approval from the Board.

1.8. Depreciation and Amortization

The depreciable amount of an item of Property, Plant and Equipment (PPE) is allocated on a straight line basis over its useful life. The residual value and the useful life of an asset are reviewed at each financial year-end. Each part of an item of PPE with a cost that is significant in relation to the total cost of the asset and useful life of that part is different from remaining part of the asset; such significant part is depreciated separately. Depreciation on all such items have been provided from the date they are 'Available for Use' till the date of sale / disposal and includes amortization of intangible assets and lease hold assets. An item of PPE is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

The Company depreciates it's property, plant and equipment over the useful life in the manner prescribed in Schedule II to the Companies Act, 2013 and management believes that useful life of the assets are same as those prescribed in Schedule II to the Act except plant and machinery of spinning and weaving business which based on technical evaluation, life has been estimated between the range of 20 to 30 years (on single shift basis), which is different from that prescribed in the Schedule II to the Act. The useful life of plant and machinery of garmenting business is estimated same as prescribed in Schedule II of the Act. The residual value of all the assets is taken 5% of the cost of assets.

1.9. Borrowing Costs

The Company capitalises borrowing costs that are directly attributable to the acquisition, construction or production of qualifying asset as a part of the cost of the asset. The Company recognises other borrowing costs as an expense in the period in which it incurs. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

1.10. Foreign Currency Transactions:

Transactions in currencies other than the functional currency are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Differences arising on settlement or translation of monetary items are recognized in profit or loss.

1.11. Inventories

Inventories are valued as follows:

i) Raw Material in Stock: At variety-wise monthly weighted average cost or net realizable value whichever is lower.

ii) Raw material in Transit and finished goods (packed yarn and cloth): At cost or net realizable value whichever is lower.

iii) Finished Goods at depot (Yarn / Cloth): At lower of cost or net realizable value.

iv) Finished Goods at retail Marketing Depots / Divisions, Retail Showrooms, and duty paid godowns: Cost including excise duty or net realizable value whichever is lower. The cost is determined by reducing from the sale value appropriate percentage of gross margin. Net realizable value is determined after appropriate discounts for damages, cut pieces, age of stock, market forces, if any.

v) Stores and Spares: At weighted average cost or net realizable value whichever is lower other than the stores and spares that are to be componentized.

vi) Materials in Process: At cost or net realizable value whichever is lower.

vii) Loose yarn & Cloth under process, and with processors etc: At lower of cost or net realizable value less expenses to be incurred to make them ready for sale.

viii) Scrap and saleable waste: At net realizable price.

ix) Useable wastes: At weighted average cost or net realizable value whichever is lower

Note: Wherever net realisable value is not available, cost is used

1.12. Government Grant

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. These grants are classified as grants relating to assets and revenue based on the nature of the grants.

Grants relating to depreciable assets are initially recognised as deferred revenue and subsequently recognised in the statement of profit and loss on a systematic basis over the useful life of the asset generally in the same proportion in which depreciation is charged on the depreciable assets acquired out of such contribution. Changes in estimates are recognised prospectively over the remaining life of the assets.

Grants in the form of revenue grant are recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

Grants in the form of non-monetary assets such as land and other resources are recognised at fair value and presented as deferred income which is recognized in the statement of profit and loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset.

1.13. Provisions

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

1.14. Contingent Liabilities / Assets

Contingent Liabilities

Contingent liabilities are not recognized but disclosed in Notes to the Accounts when the company has possible obligation due to past events and existence of the obligation depends upon occurrence or non-occurrence of future events not wholly within the control of the company.

Contingent liabilities are assessed continuously to determine whether outflow of economic resources have become probable. If the outflow becomes probable then relative provision is recognized in the financial statements.

Where an entity is jointly and severally liable for an obligation, the part of the obligation that is expected to be met by other parties is treated as a contingent liability. The entity recognises a provision for the part of the obligation for which an outflow of resources embodying economic benefits is probable, except in the extremely rare circumstances where no reliable estimate can be made.

Contingent Liabilities are disclosed in the General Notes forming part of the accounts.

Contingent Assets

Contingent Assets are not recognised in the financial statements. Such contingent assets are assessed continuously and are disclosed in Notes when the inflow of economic benefits becomes probable. If it is certain that inflow of economic benefit will arise then such asset and the relative income shall be recognised in financial statements.

1.15. Employee benefits

i) Provision for gratuity, leave encashment/availment and other terminal benefits is made on the basis of actuarial valuation using the projected unit credit method. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling and the return on plan assets excluding interest (if applicable), is reflected immediately in the statement of financial position with a charge or credit recognized in other comprehensive income in the period in which they occur. Re-measurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to Statement of Profit or Loss.

ii) Contribution to Provident Fund is recorded as expenses on accrual basis.

1.16. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from ‘profit before tax’ as reported in the statement of profit or loss and other comprehensive income/statement of profit or loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

Current and deferred tax for the year

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

1.17. Investment Property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. All of the Company's property interests held under operating leases to earn rentals or for capital appreciation purposes are accounted for as investment properties.

After initial recognition, the company measures investment property at cost.

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on de recognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognized.

Investment properties to be depreciated in accordance to the class of asset that it belongs and the life of the asset shall be as conceived for the same class of asset at the Company.

1.18. Financial instruments

i) Non-derivative financial instruments

Non-derivative financial instruments consist of:

- Financial assets, which include cash and cash equivalents, trade receivables, unbilled revenues, finance lease receivables, employee and other advances, investments in equity and debt securities and eligible current and non-current assets;
- Financial liabilities, which include long and short-term loans and borrowings, bank overdrafts, trade payables, eligible current and non-current liabilities.

Non-derivative financial instruments are recognized initially at fair value including any directly attributable transaction costs.

Subsequent to initial recognition, non-derivative financial instruments are measured as described below:

a) Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents include cash in hand, at banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand and are considered part of the Company's cash management system. In the statement of financial position, bank overdrafts are presented under borrowings within current liabilities.

b) Investments in Equity Securities

Investments in equity securities (other than those in Subsidiaries, Joint Venture and Associates) are valued at their fair value. These investments are measured at fair value and changes therein, other than impairment losses, are recognized in Other Comprehensive Income. The impairment losses, if any, are reclassified from equity into statement of profit and loss. On de-recognition of such assets, the related cumulative gain or losses recognised in other comprehensive income are transferred within equity.

c) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Loans and receivables are initially recognized at fair value plus directly attributable transaction costs and subsequently measured at amortized cost using the effective interest method, less any impairment losses. Loans and receivables comprise trade receivables, unbilled revenues and other assets.

The company estimates the un-collectability of accounts receivable by analysing historical payment patterns, customer concentrations, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

d) **Trade and other payables**

Trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest method. For these financial instruments, the carrying amounts approximate fair value due to the short term maturity of these instruments.

ii) **Derivative financial instruments/Forward Contract**

The Company is exposed to foreign currency fluctuations on foreign currency assets and liabilities. The Company limits the effect of foreign exchange rate fluctuations by following established risk management policies including the use of derivatives. The Company enters into derivative financial instruments where the counterparty is primarily a bank.

Derivatives are recognized and measured at fair value. Attributable transaction costs are recognized in statement of income as cost.

1.19. Impairment

If the recoverable amount of an asset (or cash-generating unit/property, plant and equipment) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a re-valued amount, in which case the impairment loss is treated as a revaluation decrease.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a re-valued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

At the end of each reporting period, the company reviews the carrying amounts of its tangible, intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Impairment of financial assets

Financial assets, other than those at Fair Value through Profit and Loss (FVTPL), are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected. For Available for Sale (AFS) equity investments, a significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment.

For all other financial assets, objective evidence of impairment could include:

- Significant financial difficulty of the issuer or counterparty;
- Breach of contract, such as a default or delinquency in interest or principal payments;
- It becoming probable that the borrower will enter bankruptcy or financial re-organisation; or the disappearance of an active market for that financial asset because of financial difficulties.

For certain categories of financial assets, such as trade receivables, assets are assessed for impairment on individual basis. Objective evidence of impairment for a portfolio of receivables could include companies past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets that are carried at cost, the amount of impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables; such impairment loss is reduced through the use of an allowance account for respective financial asset. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in profit or loss.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognized.

De-recognition of financial assets

The Company de-recognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, The Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety except 1.20(i)(b), the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss.

1.20. Earnings per share

A basic earnings per share is computed by dividing the net profit attributable to the equity shareholders of the company by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity shareholders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

1.21. Fair Value Measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

1.22. Segment Information

The Chief Operating Decision Maker (CODM) as defined by Ind AS-108, "Operating Segments" monitors the operating results of it's operating segments based on their revenue growth and operating income. The Company has identified two primary business segments i.e. Yarn & Cloth. The assets and liabilities used in the Company's business that are not identified to any of the operating segments are shown as un-allocable assets/liabilities.

1.23. Prior Period

Errors of material amount relating to prior period(s) are disclosed by a note with nature of prior period errors, amount of correction of each such prior period presented retrospectively, to the extent practicable along with change in basic and diluted earnings per share. However, where retrospective restatement is not practicable for a particular period then the circumstances that lead to the existence of that condition and the description of how and from where the error is corrected are disclosed in Notes on Accounts.

1.24. Non-current Assets held for sale

Non-current assets and disposal group are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. These assets and disposal groups are measured at the lower of their carrying amount and fair value less cost to be incurred towards sale. This condition is regarded as met only when the sale is highly probable and the assets or disposal group is available for immediate sale in its present condition.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The company treats sale/ distribution of the asset or disposal group to be highly probable when:

i) The appropriate level of management is committed to a plan to sell the asset (or disposal group), ii) An active programme to locate a buyer and complete the plan has been initiated (if applicable), iii) The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value, iv) The sale is expected to qualify for recognition as a completed sale within one year from the date of classification , and v) Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

The company shall not depreciate (or amortised) a non-current asset while it is classified as held for sale or while it is a part of a disposal group classified as held for sale.

1.25. Leases

Leases of Property, Plant and Equipment in which a significant portion of risks and rewards of ownership is transferred to the company as lessee are classified as finance lease. Such finance leases are generally capitalised at the inception of lease at the fair value of the leased property which equals the transaction price i.e. lump sum upfront payments. Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases.

Note No. 2

Property, Plant and Equipment

(₹ in Lakh)

Particulars	Gross block as at April 01, 2017	Additions	Adjustments/ sales during the year	Gross block as at March 31, 2018	Accumulated depreciation as at April 01, 2017	Additions	Adjustments/ sales during the year	Accumulated depreciation as at March 31, 2018	Impairment loss	Carrying value as at March 31, 2018
Land-Free hold	17,978.99	-	-	17,978.99	-	-	-	-	-	17,978.99
Land-Lease hold	4,906.33	470.30	-	5,376.63	887.08	177.08	-	1,064.16	-	4,312.47
Building-Factory	25,167.30	108.82	(2,084.91)	23,191.21	1,941.62	913.75	(195.91)	2,659.46	-	20,531.75
Building-Non factory	2,099.80	1.77	-	2,101.57	257.33	73.59	-	330.92	-	1,770.65
Tube well	49.17	2.57	-	51.74	37.88	2.45	-	40.33	-	11.41
Plant & Machinery	65,858.09	1,155.85	(3,323.10)	63,690.84	25,943.76	3,820.31	(1,146.71)	28,617.36	(11.37)	35,062.11
Furniture & Fixtures	875.97	8.53	1.22	885.72	260.61	107.75	2.04	370.40	-	515.32
Vehicles	144.26	9.33	(0.53)	153.06	41.72	26.61	(0.01)	68.32	-	84.74
Electrical fittings	4,253.55	185.19	(827.39)	3,611.35	1,191.93	540.26	(276.02)	1,456.17	-	2,155.18
Office & factory equipments	375.07	34.00	(1.74)	407.33	142.58	54.81	(0.76)	196.63	-	210.70
Bio gas plant	0.05	-	-	0.05	-	-	-	-	-	0.05
Computer	166.43	50.72	0.28	217.43	88.40	32.64	0.40	121.44	-	95.99
Railway	0.04	-	-	0.04	-	-	-	-	-	0.04
Lab equipment	591.69	210.00	(23.59)	778.10	174.87	94.31	(7.97)	261.21	-	516.89
Total	**122,466.74**	**2,237.08**	**(6,259.76)**	**118,444.06**	**30,967.78**	**5,843.56**	**(1,624.94)**	**35,186.40**	**(11.37)**	**83,246.29**

Particulars	Gross block as at April 01, 2016	Additions	Adjustments/ sales during the year	Gross block as at March 31, 2017q	Accumulated depreciation as at April 01, 2016	Additions	Adjustments/ sales during the year	Accumulated depreciation as at March 31, 2017	Carrying value as at March 31, 2017
Land-Free hold	18,022.22	-	(43.23)	17,978.99	-	-	-	-	17,978.99
Land-Lease hold	4,620.96	285.37	-	4,906.33	714.47	172.60	-	887.07	4,019.26
Building-Factory	25,157.19	12.49	(2.38)	25,167.30	1,042.44	918.80	(19.62)	1,941.62	23,225.68
Building-Non factory	2,103.44	2.72	(6.36)	2,099.80	157.29	80.56	19.48	257.33	1,842.47
Tube well	48.94	0.23	-	49.17	19.30	18.58	-	37.88	11.29
Plant & Machinery	65,667.30	1,198.91	(1,008.11)	65,858.10	14,873.68	11,878.51	(808.43)	25,943.76	39,914.34
Furniture & fixtures	839.67	38.17	(1.87)	875.97	165.21	97.44	(2.04)	260.61	615.36
Vehicles	125.12	19.14	-	144.26	22.39	19.33	-	41.72	102.54
Electrical fittings	3,946.49	353.25	(46.19)	4,253.55	629.13	587.86	(25.06)	1,191.93	3,061.62
Office & factory equipments	237.51	139.25	(1.69)	375.07	92.50	50.49	(0.41)	142.58	232.49
Bio gas plant	0.05	-	-	0.05	-	-	-	-	0.05
Computer	136.83	33.21	(3.62)	166.42	57.08	34.13	(2.80)	88.41	78.01
Railway	0.04	-	-	0.04	-	-	-	-	0.04
Lab equipment	580.06	12.69	(1.06)	591.69	90.22	84.65	-	174.87	416.82
Total	**121,485.82**	**2,095.43**	**(1,114.51)**	**122,466.74**	**17,863.71**	**13,942.95**	**(838.88)**	**30,967.78**	**91,498.96**

Note No. 3

Capital Work-In-Progress

(₹ in Lakh)

Particulars	For the year ended March 31, 2018					For the year ended March 31, 2017			
	Balance as at April 1, 2017	Additions/ Adjustments during the year	Capitalized during the year	Impairment loss	Balance as at March 31, 2018	Balance as at April 1, 2016	Additions/ Adjustments during the year	Capitalized during the year	Balance as at March 31, 2017
Civil Work	237.10	150.89	(109.12)	-	278.87	92.38	147.42	(2.70)	237.10
Plant & Machinary	1,077.33	366.85	(727.38)	(461.41)	255.39	822.71	578.57	(323.95)	1,077.33
Others	106.63	150.95	(68.31)	-	189.27	121.45	71.48	(86.30)	106.63
Total	**1,421.06**	**668.69**	**(904.81)**	**(461.41)**	**723.53**	**1,036.54**	**797.47**	**(412.95)**	**1,421.06**

Note No. 4

Investment Property

(₹ in Lakh)

Particulars	Land	Building	Total
Gross block as at April 01, 2017	-	-	-
Additions	1,834.50	1,165.00	2,999.50
Gross block as at March 31, 2018 (A)	1,834.50	1,165.00	2,999.50
Accumulated depreciation as at April 1, 2017	-	-	-
Additions	-	14.55	14.55
Accumulated depreciation as at March 31, 2018 (B)	-	14.55	14.55
Carrying value as at March 31, 2018 (A-B)	1,834.50	1,150.45	2,984.95

(₹ in Lakh)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Direct operating expenses for property that did not generate rental income	21.88	-
Profit/(loss) from investment properties before depreciation	(21.88)	-
Depreciation	(14.55)	-
Profit/(loss) from investment properties	(36.43)	-

Note No. 5

Intangible Assets

(₹ in Lakh)

Particulars	Computer Softwares
Gross block as at April 01, 2017	32.07
Additions	0.79
Gross block as at March 31, 2018 (C)	32.86
Accumulated Amortization/Impairment as at April 1, 2017	16.84
Additions	1.73
Accumulated Amortization/Impairment as at March 31, 2018 (D)	18.57
Carrying value as at March 31, 2018 (C-D)	14.29

(₹ in Lakh)

Particulars	Computer Softwares
Gross block as at April 01, 2016	28.74
Additions	3.33
Gross block as at March 31, 2017 (E)	32.07
Accumulated amortization/impairment as at April 01, 2016	15.23
Additions	1.61
Accumulated amortization as at March 31, 2017 (F)	16.84
Carrying value as at March 31, 2017 (E-F)	15.23

Note No. 6

Investment in Associate

The group has a 33.63% interest in Swadeshi Polytex Limited. Swadeshi Polytex Limited is an entity that is listed on BSE. The group's interest in Swadeshi Polytex Limited is accounted for using the equity method in the consolidated financial statements. The following table present summarised financial information of the group's investment in Associate i.e. Swadeshi Polytex Limited:

(₹ in Lakh)

Calculation of carrying amount of Interest in Associate	As at March 31, 2018	As at March 31, 2017
Percentage ownership interest	33.63%	33.63%
Non current assets	454.07	489.83
Current assets	881.06	824.59
Non current liabilities	249.83	249.83
Current liabilities	6,303.09	6,248.62
Net assets	(5,217.79)	(5,184.03)
Group's Share of net assets	(1,754.99)	(1,743.63)
Carrying amount of Interest in Associate	-	-

Share in profit/(loss) of associate (net of income tax)

(₹ in Lakh)

Calculation of share in Total Comprehensive Income	For the year ended March 31, 2018	For the year ended March 31, 2017
Revenue	622.35	768.34
Profit	(33.76)	113.25
Other comprehensive income	-	-
Total comprehensive Income	(33.76)	113.25
Group's share of profit (33.63%)	(11.36)	38.09
Group's share of OCI (33.63%)	-	-
Group's share of Total comprehensive Income (33.63%)	(11.36)	38.09
Amount recognised in consolidated statement of profit and loss during the year*	-	-

Since the entity's share in net assets of associate as per equity method is in negative in all above mentioned periods and the entity doesn't have any legal or constructive obligation on behalf of associate, no further losses of entity's share in associate is recognised in consolidated statement of profit and loss during the periods and goodwill appearing in the financial statements of previous years has been considered as zero in the financial statements of current year. Further, the recognition of entity's share in profit of associate has been suspended till the carrying value of investment as per equity method turns into either zero or positive.

Reconciliation of net asset due to change in method of Consolidation of Associate Company

During the year, the group has changed in method of consolidation of associate company (i.e. Swadeshi polytex Ltd.) from Line-by-Line method to Equity method of consolidation as per the requirement of Ind-AS 28 and the effect of changes in method on Net Assets of the group is shown as under :-

(₹ in Lakh)

Particulars	Figures as per Audited Consolidated Financial Statement for the year ended March 31, 2017	Restated figures after change in method of Consolidation	Effect of change in Method
Net asset as at April 01, 2016	182,848.83	188,390.70	5,541.87
Profit/(loss) for the year	99,345.73	99,232.43	(113.30)
Other comprehensive income for the year	(374.85)	(374.85)	-
Total comprehensive income for the year	98,970.88	98,857.58	(113.30)
Dividend and DDT	(1,048.72)	(1,048.72)	-
Balance as at March 31, 2017	280,770.99	286,199.56	5,428.57
Change in EPS due to change in method of consolidation	324.43	324.06	(0.37)

Note No. 7

Investments

(₹ in Lakh)

Particulars	Cost of Investment	As at March 31, 2018			As at March 31, 2017		
		No. of Shares	Amount	Impairment	No. of Shares	Amount	Impairment
NON CURRENT INVESTMENTS							
A. Investment in Subsidiaries							
Unquoted							
Equity Instrument at Cost							
Swadeshi Mining & Manufacturing Limited Fully paid up equity shares of ₹ 10 each	16,580,153.00	1,718,344.00	16,580,153.00	16,580,153.00	1,718,344.00	16,580,153.00	16,580,153.00
Total (I)			**16,580,153.00**	**16,580,153.00**		**16,580,153.00**	**16,580,153.00**
B. Other Investments							
(i) Quoted							
At Fair value through Other comprehensive income							
a) Investment in Equity Instruments							
NTC-HO							
Lakshmi Machine Works Limited Fully paid up equity shares of ₹ 10 each	1,000.00	480.00	3,298,992.00		480.00	2,025,216.00	
Sub-Total (A)			**3,298,992.00**	-		**2,025,216.00**	-
NTC-UP							
Century Tex & Ind Ltd. Fully paid up equity shares of ₹ 10 each	512.00	480.00	549,720.00		480.00	505,584.00	
Standard Ind Limited Fully paid up equity shares of ₹ 5 each	215.00	84.00	1,730.40		84.00	1,831.20	
Binny Mills Ltd Fully paid up equity shares of ₹ 10 each	3,591.00	67.00	14,070.00		67.00	13,296.15	
S.V. Global Mills Ltd Fully paid up equity shares of ₹ 5 each		470.00	50,548.50		470.00	58,938.00	
Sub-Total (B)			**616,068.90**	-		**579,649.35**	-
NTC-DPR							
Akzo Nobel India Ltd Fully paid up equity shares of ₹ 10 each	325.00	15.00	26,970.00		15.00	28,573.50	
Arvind Limited Fully paid up equity shares of ₹ 10 each	383.00	13.00	5,001.10		13.00	5,119.40	
The Mafat Lal Fine Spg & Mfg Co Ltd Fully paid up equity shares of ₹ 100 each	445.00	1.00	445.00	445.00	1.00	445.00	445.00

Particulars	Cost of Investment	As at March 31, 2018			As at March 31, 2017		
		No. of Shares	Amount	Impairment	No. of Shares	Amount	Impairment
The Khatau Makanhi Spg & Wvg Mills Limited Fully paid up equity shares of ₹ 100 each	128.00	1.00	128.00	128.00	1.00	128.00	128.00
The Shree Niwas Cotton Mills Ltd. Fully paid up equity shares of ₹ 100 each	765.00	5.00	765.00	765.00	5.00	765.00	765.00
Mafatlal Engg. Ind. Ltd. Fully paid up equity shares of ₹ 100 each	35,600.00	356.00	35,600.00	35,600.00	356.00	35,600.00	35,600.00
Sub-Total (C)			**68,909.10**	**36,938.00**		**70,630.90**	**36,938.00**
NTC-WRO							
The Phoenix Mills Ltd Fully paid up equity shares of ₹ 2 each	81.00	250.00	148,275.00		250.00	94,288.00	
The Century Spg. & Wvg. Co. Ltd. (Now Century Text. And Ind. Ltd.) Fully paid up equity shares of ₹ 10 each	740.00	250.00	286,312.00		250.00	263,325.00	
The Simplex Mills Co. Ltd. Fully paid up equity shares of ₹ 10 each	79.00	7.00	70.00		7.00	136.00	
The Morarjee Gokuldas Spg. & Wvg. Co Ltd. (Now- Peninsual Land Ltd.) Fully paid up equity shares of ₹ 7 each	1.00	400.00	8,120.00		400.00	7,500.00	
The Bombay Dying & Mfg Co. Ltd. Fully paid up equity shares of ₹ 2 each	272.00	125.00	29,919.00		125.00	10,375.00	
The Swan Mills Co. Ltd. (Now Swan Energy Ltd) Fully paid up equity shares of ₹ 2 each	1,026.00	1,000.00	178,500.00		1,000.00	141,200.00	
The Dawn Mills Co. Ltd. (Peninsual Land) Fully paid up equity shares of ₹ 2 each	1.00	100.00	2,030.00		100.00	1,875.00	
The Victoria Mills Ltd. Fully paid up equity shares of ₹ 100 each	150.00	1.00	3,345.00		1.00	3,100.00	
Sub-Total (D)			**656,571.00**	**-**		**521,799.00**	**-**
Total (II) {A+B+C+D}			**4,640,541.00**	**36,938.00**		**3,197,295.25**	**36,938.00**
(ii) Un-Quoted							
Equity Instrument at Cost							
a) Investment in Equity Instruments							
NTC-DPR							
Kohinoor Mills Co. Ltd. Fully paid up equity shares of ₹ 100 each	175.00	1.00	175.00	175.00	1.00	175.00	175.00
Tata Mill Ltd. Fully paid up equity shares of ₹ 25 each	33.00	1.00	33.00	33.00	1.00	33.00	33.00
Sub-Total (E)			**208.00**	**208.00**		**208.00**	**208.00**

Particulars	Cost of Investment	As at March 31, 2018			As at March 31, 2017		
		No. of Shares	Amount	Impairment	No. of Shares	Amount	Impairment
NTC-UP							
Dhanlaxmi Mills Ltd. Fully paid up equity shares of ₹ 10 each	2,603.00	15.00	2,603.00	2,603.00	15.00	2,603.00	2,603.00
C.P. Properties Ltd. Fully paid up equity shares of ₹ 100 each	697,775.00	6,900.00	697,775.00	697,775.00	6,900.00	697,775.00	697,775.00
Beardsheel Ltd. Fully paid up equity shares of ₹ 10 each	2,380.00	90.00	2,380.00	2,380.00	90.00	2,380.00	2,380.00
Mafatlal Engg. Industries Ltd. Fully paid up equity shares of ₹ 100 each	10,000.00	100.00	10,000.00	10,000.00	100.00	10,000.00	10,000.00
Dalhousie Holding Limited Fully paid up equity shares of ₹ 10 each	381,619.00	3,650.00	381,619.00	381,619.00	3,650.00	381,619.00	381,619.00
Elgin Mills Co. Ltd. Fully paid up equity shares of ₹ 10 each	275.00	50.00	275.00	275.00	50.00	275.00	275.00
Cawanpore Textile Mills Fully paid up equity shares of ₹ 5 each	112.00	50.00	112.00	112.00	50.00	112.00	112.00
Sub-Total (F)			**1,094,764.00**	**1,094,764.00**		**1,094,764.00**	**1,094,764.00**
NTC-WRO							
Shree Nivas Cotton Mills Ltd. Fully paid up equity shares of ₹ 100 each	168.00	1.00	168.00	168.00	1.00	168.00	168.00
Swadeshi Mill Co. Ltd. Fully paid up equity shares of ₹ 10 each	178.00	10.00	178.00	178.00	10.00	178.00	178.00
Khetau Makanji Spg. & Wvg. Co. Ltd. Fully paid up equity shares of ₹ 100 each	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Standard Mills Co. Ltd. Fully paid up equity shares of ₹ 10 each	1,204.00	60.00	1,204.00	1,204.00	60.00	1,204.00	1,204.00
Mafatlal Fine Spg. & Wvg. Co. Ltd. Fully paid up equity shares of ₹ 100 each	361.00	5.00	361.00	361.00	5.00	361.00	361.00
Bradbury Mills Ltd. Fully paid up equity shares of ₹ 50 each	845.00	5.00	845.00	845.00	5.00	845.00	845.00
Laxmi Vishnoo Cotton Mills Ltd. Fully paid up equity shares of ₹ 100 each	63.00	1.00	63.00	63.00	1.00	63.00	63.00
Mafatlal Engineering Ind. Ltd. Mumbai Fully paid up equity shares of ₹ 200 each	25,100.00	251.00	25,100.00	25,100.00	251.00	25,100.00	25,100.00
Tata Services Ltd. Fully paid up equity shares of ₹ 1000 each	175,000.00	175.00	175,000.00	-	175.00	175,000.00	-
Associated Buildings Ltd. Fully paid up equity shares of ₹ 1000 each	75,000.00	250.00	75,000.00	-	250.00	75,000.00	-
Cesta Bella Co-Hsg Soc. Fully paid up equity shares of ₹ 10 each	500.00	50.00	500.00	-	50.00	500.00	-

Particulars	Cost of Investment	As at March 31, 2018			As at March 31, 2017		
		No. of Shares	Amount	Impairment	No. of Shares	Amount	Impairment
Rosary Co-Hsg Soc. Fully paid up equity shares of ₹ 100 each	1,000.00	10.00	1,000.00	-	10.00	1,000.00	-
Gulmohur Co-Hsg Soc. Fully paid up equity shares of ₹ 50 each	250.00	5.00	250.00	-	5.00	250.00	-
New Piece Goods Bazar Co. Ltd. Fully paid up equity shares of ₹ 100 each (includes 192 bonus shares fully paid up equity shares of ₹ 100)	24,000.00	432.00	24,000.00	-	432.00	24,000.00	-
Sub-Total (G)			**303,670.00**	**27,920.00**		**303,670.00**	**27,920.00**
NTC-GUJ							
Others	11,792.00	-	11,792.00	9,900.00		11,792.00	9,900.00
Sub-Total (H)			**11,792.00**	**9,900.00**		**11,792.00**	**9,900.00**
NTC-SRO							
OPG Power Generation Pvt. Ltd. Fully paid up equity shares of ₹ 10 each {at the premium of ₹ 1.50 per share} (Partly paid up ₹ 3.95433 per share in the year 2016-17)	2,841,650.00	247,100.00	2,841,650.00	-	83,200.00	329,000.00	
United Bleachers Limited	120,000.00		120,000.00	120,000.00		120,000.00	120,000.00
Kerala State Handloom Development Corporation Ltd.	5,000.00		5,000.00	-		5,000.00	-
Sub-Total (I)			**2,966,650.00**	**120,000.00**		**454,000.00**	**120,000.00**
Total (III) {E+F+G+H+I}		**-**	**4,377,084.00**	**1,252,792.00**	**-**	**1,864,434.00**	**1,252,792.00**
b) Investment in Government or Trust Securities							
NTC-DPR							
UCM Sehkari Upbhokta Bandar, Udaipur Fully paid up equity shares of ₹ 10 each	100.00	10.00	100.00	100.00	10.00	100.00	100.00
Sub-Total (J)			**100.00**	**100.00**		**100.00**	**100.00**
NTC-MP							
Government Securities	8,100.00	-	8,100.00	8,100.00		8,100.00	8,100.00
Sub-Total (K)			**8,100.00**	**8,100.00**		**8,100.00**	**8,100.00**
NTC-SRO							
Government Securities	1,000.00		1,000.00			1,000.00	
Sub-Total (L)	**-**	**-**	**1,000.00**	**-**		**1,000.00**	**-**

Particulars	Cost of Investment	As at March 31, 2018			As at March 31, 2017		
		No. of Shares	Amount	Impairment	No. of Shares	Amount	Impairment
NTC- GUJ							
Government Securities	6,811.91		6,811.91	6,811.91		6,811.91	6,811.91
Sub-Total (M)	**-**	**-**	**6,811.91**	**6,811.91**		**6,811.91**	**6,811.91**
Total (IV) {J+K+L+M}	**-**	**-**	**16,011.91**	**15,011.91**	**-**	**16,011.91**	**15,011.91**
c) Other Non Current Investment							
NTC-SRO							
Western India Ind. Corp. Ltd.	15,000.00		15,000.00	-		15,000.00	-
Others	56,385.00		56,385.00	22,705.00		56,385.00	22,605.00
Sub-Total (N)	**-**	**-**	**71,385.00**	**22,705.00**		**71,385.00**	**22,605.00**
NTC-WBABO							
Others	98,718.00		98,718.00	98,718.00		98,718.00	98,718.00
Sub-Total (O)	**-**	**-**	**98,718.00**	**98,718.00**		**98,718.00**	**98,718.00**
NTC-MP							
Mafatlal Engg. Ind. Limited Fully paid up equity shares of ₹ 100 each	92,900.00	929.00	92,900.00	92,900.00	929.00	92,900.00	92,900.00
Indore Cloth Market Warehouse Ltd Fully paid up equity shares of ₹ 100 each	2,100.00	21.00	2,100.00	-	21.00	2,100.00	-
Delhi Ahilya New Cloth market Co ltd Fully paid up equity shares of ₹ 100 each	2,000.00	20.00	2,000.00	-	20.00	2,000.00	-
Sub-Total (P)			**97,000.00**	**92,900.00**		**97,000.00**	**92,900.00**
Total (V) {M+N+O+P}			**267,103.00**	**214,323.00**		**267,103.00**	**214,223.00**
Total (I+II+III+IV)			**25,880,892.91**	**18,099,217.91**		**21,924,997.16**	**18,099,117.91**

(₹ in Lakh)

Particulars	As at March 31, 2018 Total Value	As at March 31, 2017 Total Value
Total value of investment	258.81	219.25
Aggregate amount of Impairment in the value of investment	180.99	180.99
Carrying value of investments	77.82	38.26
Aggregrate amount of quoted investment	46.41	31.97
Aggregate amount of impairment in the value of quoted investment	0.37	0.37
Carrying value of quoted investments	46.04	31.60
Aggregrate amount of unquoted investment	212.40	187.28
Aggregate amount of Impairment in the value of unquoted investment	180.62	180.62
Carrying value of unquoted investments	31.78	6.66

Note No. 8

Trade Receivables

(₹ in Lakh)

Particulars	As at March 31, 2018	As at March 31, 2017
Non-Current		
Unsecured, considered doubtful	768.19	768.19
Allowances for doubtful debts	(768.19)	(768.19)
Total	**-**	**-**
Current		
Secured, considered good	153.00	-
Unsecured, considered good	58,217.70	63,996.93
Unsecured, considered doubtful	1,660.04	656.52
Allowances for doubtful debts	(1,660.04)	(656.52)
Total	**58,370.70**	**63,996.93**

Movement in alowances for doubtful debt

(₹ in Lakh)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Balance at the beginning of the year	1,424.71	1,256.18
Allowances recognised during the year	1,005.55	168.53
Amount written off during the year	(2.03)	-
Balance at the end of the year	**2,428.23**	**1,424.71**

Note No. 9

Loans

(₹ in Lakh)

Particulars	As at March 31, 2018	As at March 31, 2017
Non-Current		
Unsecured (considered good)		
Loan to employee	23.23	23.60
Security deposit	3,667.62	3,516.39
Sub- Total (A)	**3,690.85**	**3,539.99**
Unsecured (considered doubtful)		
Loan to employees	70.00	69.57
Less: Allowance for bad and doubtful loans	(70.00)	(69.57)
Loans to related parties	1,111.75	1,111.75
Less: Allowance for bad and doubtful loans	(1,111.75)	(1,111.75)
Others	3,725.66	3,726.23
Less: Allowance for bad and doubtful loans	(3,725.66)	(3,726.23)
Sub- Total (B)	**-**	**-**
Total Non- Current (A+B)	**3,690.85**	**3,539.99**

Particulars	As at March 31, 2018	As at March 31, 2017
Current		
Secured (considered good)		
Loans to employee	11.77	13.44
Sub- Total (C)	**11.77**	**13.44**
Unsecured (considered good)		
Loan to employees	356.96	388.74
Loans to related parties	179.15	179.15
Security deposit	26.16	25.96
Others	5,653.81	5,619.57
Sub- Total(D)	**6,216.08**	**6,213.42**
Total Current (C+D)	**6,227.85**	**6,226.86**

Note No. 10

Other Financial Assets

(₹ in Lakh)

Particulars	As at March 31, 2018	As at March 31, 2017
Non Current		
Bank deposits with more than 12 months maturity	8.05	7.84
Bank deposits with more than 12 months maturity-Earmarked	188.24	188.22
Balance with post office	0.29	0.29
Total	**196.58**	**196.35**
Current		
Interest accrued on short term deposits, loans and advances	317.57	371.07
Claim receivable	5,057.30	195.53
Others	3,907.77	3,843.64
Total	**9,282.64**	**4,410.24**

Note No. 11

Other Assets

(₹ in Lakh)

Particulars	As at March 31, 2018	As at March 31, 2017
Non-Current		
Capital Advances		
Unsecured, considered good	37.03	87.54
Unsecured, considered doubtful	132.29	149.18
Allowances for doubtful debts	(132.29)	(149.18)
Total	**37.03**	**87.54**

Particulars	As at March 31, 2018	As at March 31, 2017
Silver coins/vessels	18.08	18.08
Advance against tax payments	213.61	263.99
Deposit with govt. bodies	548.54	603.93
Less: Provision for deposit with govt. bodies	(150.14)	(133.34)
Sundry deposits	284.27	280.07
Less: Provision for sundry deposits	(169.19)	(167.34)
Employee's family welfare fund deposits/securities	116.53	107.56
Commissioner of payment (doubtful)	1,804.53	1,804.53
Less: Provision for doubtful commissioner of payments	(1,804.53)	(1,804.53)
Deposit with PF authorities under protest	85.05	85.05
Less: Provision for deposit with PF authorties	(47.36)	(47.36)
Deposit with ESI authorties	364.16	364.16
Less: Provision for deposit with ESI authorties	(1.31)	(1.31)
Claim receivable from central government	12,027.48	12,027.48
Others (considered good)	127.62	602.96
Other considered doubtful	901.35	860.69
Less: Provision for doubtful	(901.35)	(860.69)
Total	**13,454.37**	**14,091.47**
Current		
Balance with excise authorities	10.54	1.94
Deposit with govt. bodies	452.40	311.30
Advance against tax payments	480.60	198.49
Commissioner of payment (good)	115.66	115.66
Prepaid expenses	177.59	157.13
Sundry deposits	59.65	68.17
Others	1,060.14	1,198.83
Total	**2,356.58**	**2,051.52**

Note No. 12

Inventories

(₹ in Lakh)

Particulars	As at March 31, 2018	As at March 31, 2017
Raw materials	7,541.03	7,860.76
Raw materials in transit	187.25	467.78
Work in process	5,156.88	4,259.07
Finished goods	17,923.92	14,890.88
Finished goods in transit	66.60	46.31
Less: Provision for finished goods in transit	(34.34)	(34.34)
Stock in trade	1,457.80	1,414.23
Stock in trade in transit	2.23	6.88
Stores and Spares	729.62	665.99
Stores and Spares in transit	20.96	54.80
Less: Provision for obsolete stores and other inventories	(238.03)	(234.33)
Waste	364.51	322.27
Scrap	123.09	187.35
Total	**33,301.52**	**29,907.65**

Note No. 13

Cash & Cash Equivalents

(₹ in Lakh)

Particulars	As at March 31, 2018	As at March 31, 2017
Cash on hand	16.56	31.88
Cheques, drafts, stamps on hand	0.28	0.61
Remittance in transit	0.65	108.92
Balances with banks	1,178.96	6,503.35
In fixed deposit with original maturity upto 3 months	11,706.04	21,351.47
Total	**12,902.49**	**27,996.23**

Note No. 14

Bank Balances other than Cash & Cash Equivalents

(₹ in Lakh)

Particulars	As at March 31, 2018	As at March 31, 2017
Employee security deposits	5.17	4.83
In term deposit with original maturity upto 12 months - ear-marked	1,664.02	12,270.20
In term deposit with original maturity more than 3 months but upto 12 months	42,554.43	58,654.74
Deposits for margin money	2.91	5.41
Other balances with bank (disputed)	16.43	16.43
Less: Provision for bank balances	(16.43)	-
Total	**44,226.53**	**70,951.61**

Note No. 15
Current tax assets/(liabilities)

(₹ in Lakh)

Particulars	As at March 31, 2018	As at March 31, 2017
Current tax assets		
Advance tax paid (TDS)	784.36	698.49
Sub total (A)	784.36	698.49
Current tax liabilities		
Income tax	30.24	59.19
Sub total (B)	**30.24**	**59.19**
Net current tax assets/ (liabilities) (A-B)	**754.12**	**639.30**

Note No. 16
Assets classified as held for sale

(₹ in Lakh)

Particular	As at March 31, 2018			As at March 31, 2017		
	Gross Block	Accumulated Depreciation	Net Block	Gross Block	Accumulated Depreciation	Net Block
Plant & Machinery	1,408.02	1,057.64	350.38	1,183.02	1,057.64	125.38
Furniture & Fixtures	0.25	0.17	0.08	0.25	0.17	0.08
Electrical fittings	1.65	1.12	0.53	1.65	1.12	0.53
Office & factory equipments	0.64	0.58	0.06	0.64	0.58	0.06
Transfer Development Right (TDR)	141,348.00	-	141,348.00	141,348.00	-	141,348.00
Total	**142,758.56**	**1,059.51**	**141,699.05**	**142,533.56**	**1,059.51**	**141,474.05**

Note No. 17
Equity Share Capital

(₹ in Lakh)

Particulars	As at March 31, 2018	As at March 31, 2017
Authorized		
Equity shares of ₹ 1000 Each	500,000.00	500,000.00
5,00,00,000 equity shares		
Issued, subscribed and fully paid		
Equity shares of ₹ 1000 each 3,06,21,601 equity shares	306,216.01	306,216.01
Total	**306,216.01**	**306,216.01**

Reconciliation of number of Equity Shares

Particulars	No of Shares
Equity Shares as April 01, 2016	30,621,601
Add: -No. of Shares, Share Capital issued/ subscribed during the year	-
Equity Shares as March 31, 2017	30,621,601
Equity Shares as April 01, 2017	30,621,601
Add: -No. of Shares, Share Capital issued/ subscribed during the year	-
Equity Shares as March 31, 2018	30,621,601

Shares in the company held by shareholder holding more than 5 percent

Particulars	As at March 31, 2018	As at March 31, 2017
- Government of India	99.76%	99.76%

Note No. 18
Other Equity

(₹ in Lakh)

Particulars	Reserve and Surplus	Capital Reserve	Special Reserve u/s 36 (i) (viii) of the Income Tax Act	Securities Premium Reserve	Retained Earnings	Equity instruments through OCI	Revaluation Surplus	Remeasurement gain/ (loss) on defined benefit plan	Total	Attributable to Owners	Non-Conrolling Interest
Balance as at April 01, 2016	1,904.41	347,706.95	242.48	30,357.62	(515,822.11)	21.96	16,722.89	1,040.48	(117,825.32)	(138,375.91)	20,550.59
Profit and loss for the period	-	-	-	-	99,232.43	-	-	-	99,232.43	97,915.33	1,317.10
Other comprehensive income for the year	-	-	-	-	-	9.56	-	(384.41)	(374.85)	(376.31)	1.46
Total comprehensive income for the year	-	-	-	-	99,232.43	9.56	-	(384.41)	98,857.58	97,539.02	1,318.56
Dividend and DDT	-	-	-	-	(1,048.72)	-	-	-	(1,048.72)	(156.99)	(891.73)
Balance as at March 31, 2017	**1,904.41**	**347,706.95**	**242.48**	**30,357.62**	**(417,638.40)**	**31.52**	**16,722.89**	**656.07**	**(20,016.46)**	**(40,993.88)**	**20,977.42**

*The difference in opening balances of other equity is on account of change in consolidation method of Swadeshi Polytex Ltd. (for details refer note. 6.)

Particulars	Reserve and Surplus	Capital Reserve	Special Reserve u/s 36 (i) (viii) of the Income Tax Act	Securities Premium Reserve	Retained Earnings	Equity instruments through OCI	Revaluation Surplus	Remeasurement gain/ (loss) on defined benefit plan	Total	Attributable to Owners	Non-Conrolling Interest
Balance as at April 01, 2017	1,904.41	347,706.95	242.48	30,357.62	(417,638.40)	31.52	16,722.89	656.07	(20,016.46)	(40,993.88)	20,977.42
Profit for the year	-	-	-	-	(29,210.31)	-	-	-	(29,210.31)	(30,354.81)	1,144.50
Other comprehensive income for the year	-	-	-	-	-	14.43	-	(118.70)	(104.27)	(110.77)	6.50
Total comprehensive income for the year	-	-	-	-	(29,210.31)	14.43	-	(118.70)	(29,314.58)	(30,465.58)	1,151.00
Dividend and DDT	-	-	-	-	(1,159.27)	-	-	-	(1,159.27)	(173.52)	(985.75)
Any other changes	12.46	-	-	-	(12.46)	-	-	-	-	-	-
Balance as at March 31, 2018	**1,916.87**	**347,706.95**	**242.48**	**30,357.62**	**(448,020.44)**	**45.95**	**16,722.89**	**537.37**	**(50,490.31)**	**(71,632.98)**	**21,142.67**

Note No. 19
Non-Controlling Interest (NCI)

(₹ in Lakh)

Summarised Balance Sheet	APOLLO		GOLDMOHUR		INDIA UNITED		NEW CITY		AURANGABAD		Total	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Current assets	11,284.17	10,868.44	12,098.67	10,833.52	20,176.37	24,108.95	9,269.35	12,411.16	1,344.34	2,702.66	54,172.90	60,924.73
Current liabilities	784.56	882.93	2,112.51	1,322.84	6,030.56	10,175.28	2,836.94	5,563.95	16.25	1,269.81	11,780.82	19,214.82
Net current assets	10,499.61	9,985.51	9,986.16	9,510.68	14,145.81	13,933.67	6,432.41	6,847.21	1,328.09	1,432.85	42,392.08	41,709.91
Non current assets	854.30	888.84	966.55	1,009.69	2,019.46	2,199.96	551.17	605.88	241.55	258.57	4,633.03	4,962.94
Non current liabilities	123.15	113.33	63.63	60.39	99.99	90.10	31.21	36.74	12.73	15.11	330.71	315.67
Net Non current assets	731.15	775.51	902.92	949.30	1,919.47	2,109.86	519.96	569.14	228.82	243.46	4,302.32	4,647.27
Net Assets	11,230.76	10,761.02	10,889.08	10,459.98	16,065.28	16,043.53	6,952.37	7,416.35	1,556.91	1,676.31	46,694.40	46,357.18
Owner's share	51.00%	51.00%	51.00%	51.00%	51.00%	51.00%	51.00%	51.00%	51.00%	51.00%	51.00%	51.00%
Non-controlling share	49.00%	49.00%	49.00%	49.00%	49.00%	49.00%	49.00%	49.00%	49.00%	49.00%	49.00%	49.00%
Equity Attributable to owners	5,727.69	5,488.12	5,553.43	5,334.59	8,193.29	8,182.20	3,545.71	3,782.34	794.02	854.92	23,814.14	23,642.17
Accumulated NCI	5,503.07	5,272.90	5,335.65	5,125.39	7,871.99	7,861.33	3,406.66	3,634.01	762.89	821.39	22,880.26	22,715.01
Equity share capital	565.00	565.00	585.00	585.00	1,271.10	1,271.10	917.00	917.00	208.00	208.00	3,546.10	3,546.10
Other equity	10,665.77	10,196.02	10,304.07	9,874.98	14,794.18	14,772.44	6,035.37	6,499.33	1,348.91	1,468.31	43,148.30	42,811.08
NCI Equity share capital	276.85	276.85	286.65	286.65	622.84	622.84	449.33	449.33	101.92	101.92	1,737.59	1,737.59
NCI other equity	5,226.23	4,996.04	5,048.99	4,838.74	7,249.15	7,238.50	2,957.33	3,184.67	660.97	719.47	21,142.67	20,977.42
Equity share capital with owners	288.15	288.15	298.35	298.35	648.26	648.26	467.67	467.67	106.08	106.08	1,808.51	1,808.51
Other equity attributable to owners	5,439.54	5,199.98	5,255.08	5,036.24	7,545.03	7,533.94	3,078.04	3,314.66	687.94	748.84	22,005.63	21,833.66

(₹ in Lakh)

Summarised Statement of Profit and Loss	APOLLO		GOLDMOHUR		INDIA UNITED		NEW CITY		AURANGABAD		Total	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Revenue	30,565.74	30,970.51	32,019.81	29,389.09	38,326.83	41,664.32	3,610.60	28,774.50	64.06	5,575.76	104,587.03	136,374.18
Profit and Loss	841.82	726.12	808.92	658.78	783.21	807.44	(33.51)	437.58	(64.79)	58.05	2,335.65	2,687.97
Other Comprehensive Income	1.91	0.41	7.42	1.27	3.46	(0.36)	(0.04)	1.46	0.47	0.23	13.23	3.01
Total Comprehensive Income (TCI)	843.73	726.53	816.34	660.05	786.67	807.08	(33.54)	439.04	(64.31)	58.28	2,348.88	2,690.98
Profit allocated to NCI	412.49	355.80	396.37	322.80	383.77	395.65	(16.42)	214.41	(31.75)	28.44	1,144.47	1,317.11
OCI allocated to NCI	0.94	0.20	3.64	0.62	1.70	(0.18)	(0.02)	0.71	0.23	0.11	6.48	1.47
TCI allocated to NCI	413.43	356.00	400.01	323.42	385.47	395.47	(16.44)	215.13	(31.51)	28.56	1,150.95	1,318.58
Total Dividend Paid	(374.01)	(340.01)	(387.25)	(352.05)	(764.93)	(719.04)	(430.44)	(358.70)	(55.08)	(50.07)	(2,011.70)	(1,819.86)
Divident Paid to NCI	(183.26)	(166.60)	(189.75)	(172.50)	(374.82)	(352.33)	(210.91)	(175.76)	(26.99)	(24.53)	(985.74)	(891.73)

Note No. 20

Other Financial Liabilities

(₹ in Lakh)

Particulars	As at March 31, 2018	As at March 31, 2017
Non Current		
Earnest money/security deposit	278.71	279.35
Employees security deposit	14.78	11.36
Total	**293.49**	**290.71**
Current		
Sundry creditors for machinery	532.11	620.66
Trade deposits	678.94	924.48
Earnest money/security deposit	1,032.35	11,015.57
Current account with subsidiary companies	133.30	324.13
Others	19,086.93	24,664.49
Total	**21,463.63**	**37,549.33**

Note No. 21

Provisions

(₹ in Lakh)

Particulars	As at March 31, 2018	As at March 31, 2017
Non Current		
For employee benefits		
Gratuity	9,133.97	9,070.59
Leave Salary/ Wages	1,501.24	1,577.31
LTC	47.51	54.48
Terminal benefits	59.00	75.19
Total	**10,741.72**	**10,777.57**
Current		
For employee benefits		
Gratuity	2,858.99	2,917.83
Leave Salary/ Wages	668.64	748.68
Sick leave	957.36	802.00
LTC	6.65	4.53
Terminal benefits	7.37	7.29
Total	**4,499.01**	**4,480.33**

Note No. 22

Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following: **(₹ in Lakh)**

Particulars	As at March 31, 2018	As at March 31, 2017
Deferred tax liabilities		
Property, plant and equipment	10,203.93	10,839.06
Sub Total (A)	**10,203.93**	**10,839.06**
Deferred tax assets		
Unabsorbed depreciation as per Income Tax	4,014.12	7,521.14
Carry forwarded business losses as per Income Tax	2,539.50	-
Employee benefits	75.60	61.08
Provisions	3,379.82	3,043.28
Sub Total (B)	**10,009.04**	**10,625.50**
Net deferred tax liabilities/(asset) (A-B)	**194.89**	**213.56**

Movement in deferred tax balances during the year ended March 31, 2018 **(₹ in Lakh)**

Particulars	Balance as at April 01, 2017	Recognised in Profit and Loss	Recognised in other comprehensive income	Balance as at March 31, 2018
Property, plant and equipment	10,839.06	(635.12)	-	10,203.94
Employee benefits	61.09	21.53	(7.01)	75.61
Provisions	3,043.28	336.53	-	3,379.81
Unabsorbed depreciation as per Income Tax	7,521.14	(3,507.02)	-	4,014.12
Carried forward business losses	-	2,539.50	-	2,539.50

Movement in deferred tax balances during the year ended March 31, 2017 **(₹ in Lakh)**

Particulars	Balance as at April 01, 2016	Recognised in Profit and Loss	Recognised in Other comprehensive income	Balance as at March 31, 2017
Property, plant and equipment	11,625.46	(786.41)	-	10,839.05
Employee benefits	29.02	33.58	(1.51)	61.09
Provisions	2,989.68	53.60	-	3,043.28
Unabsorbed depreciation as per Income Tax	8,349.00	(827.86)	-	7,521.14
Carried forward business losses	-	2,539.50	-	2,539.50

Reconciliation of effective tax rates **(₹ in Lakh)**

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Profit before tax	(27,881.64)	100,624.12
Enacted tax rate	34.61%	34.61%
Computed expected tax expenses	1,306.03	1,398.56
Tax Effect of -		
- Non-deductible expenses	46.78	26.84
- Others	0.03	3.31
Tax due to temporary difference	(19.33)	(38.18)
Tax exempt income	(9.87)	-
Change in estimates related to prior years	5.04	1.16
Tax expenses for the year	1,328.68	1,391.69

Note No. 23

Other Liabilities

(₹ in Lakh)

Particulars	As at March 31, 2018	As at March 31, 2017
Non Current		
Employee's family welfare fund deposits/securities	116.53	107.56
Others	2,546.69	2,527.46
Total	**2,663.22**	**2,635.02**
Current		
Controlled cloth subsidy balance	137.42	137.42
Advance against sale of assets	1,204.51	1,204.51
Government grant*	-	28.53
Others	10,150.67	10,381.81
Total	**11,492.60**	**11,752.27**

**Government grants have been received for the purchase of certain items of property, plant and equipment. There are no unfulfilled conditions or contingencies attached to these grants.*

Movement in Government Grant

(₹ in Lakh)

Particulars	As at March 31, 2018	As at March 31, 2017
Opening balance of grant	28.53	31.86
Less: Income recognised in statement of profit & loss	(28.53)	(3.33)
Closing balance (current)	-	28.53

Note No. 24

Borrowings (Current)

(₹ in Lakh)

Particulars	As at March 31, 2018	As at March 31, 2017
Secured		
Documentary bill purchase from bank	322.84	421.54
Other short term loans from banks	32.10	27.63
(Secured by hypothecation of Stores, Raw materials, Finished goods, Work in Progress, Trade deposits and Fixed deposit)		
Unsecured		
Cash credit from banks	75.45	75.45
Loan from Government of India	27,000.00	27,000.00
Interest accrued and due on loan from Government of India	44,383.78	39,700.03
Total	**71,814.17**	**67,224.65**

Note No. 25

Trade Payables (Current)

(₹ in Lakh)

Particulars	As at March 31, 2018	As at March 31, 2017
A) Total outstanding dues to MSMEs	136.45	124.01
B) Total outstanding dues to other than MSMEs		
- Sundry Creditors for raw material	17,083.84	14,829.89
- Sundry Creditors for Stores, Spare and Tools	674.83	648.03
- Hank Yarn obligations	200.50	80.60
- Others	14,788.52	19,912.60
Total	**32,884.14**	**35,595.13**

Note No. 26

Revenue From Operations

(₹ in Lakh)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
A. Sale of Products (including excise duty upto June 30, 2017)		
Cloth	57,366.79	94,967.12
Yarn	88,943.77	97,559.24
Readymade	61,532.54	57,708.94
Total (A)	**207,843.10**	**250,235.30**
B. Sale of Services		
Job conversion charges	123.38	3.34
Commission earned	20.15	-
Total (B)	**143.53**	**3.34**
C. Other Operating Revenue		
Sale of waste	3,220.77	2,976.86
Other	6.37	8.25
Total (C)	**3,227.14**	**2,985.11**
Total (A+B+C)	**211,213.77**	**253,223.75**

Note No. 27

Other Income

(₹ in Lakh)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
A. Interest Income		
Interest on bank deposits	4,110.44	8,138.95
Interest on others	660.15	(3,409.88)
Total (A)	**4,770.59**	**4,729.07**
B. Dividend Income		
Dividend from other companies	0.34	1.43
Total (B)	**0.34**	**1.43**

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
C. Other Non Operating Revenue		
Rent income	787.02	956.48
Insurance and other claims	4,975.56	35.83
Sale of scrap and other unserviceable stores	96.39	122.96
Stock deficit recovered	3.00	13.68
Sundry balances written back	87.89	28.79
Provision written back	19.90	0.52
Cash discount	577.27	403.32
Forfeiture of security deposit (other than sale of assets)	-	1.63
Foreign exchange rate difference (net)	-	22.64
Miscellaneous receipts	292.75	483.70
Government grant income	28.53	3.33
Total (C)	**6,868.31**	**2,072.88**
Total (A+B+C)	**11,639.24**	**6,803.38**

Note No. 28

Cost of Materials Consumed

(₹ in Lakh)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Raw materials/ Semi finished		
Stock at the beginning of the year	8,328.29	5,101.15
Add : Purchases	67,102.29	68,005.56
Less: Stock destroyed due to Fire	(36.99)	-
Less : Stock at the end of the year	(7,728.03)	(8,328.29)
Raw materials/ Semi finished consumed - Sub Total	67,665.56	64,778.42
Add : Packing material consumed	1,344.75	1,316.24
Total	**69,010.31**	**66,094.66**

Note No. 29

Changes in Inventories

(₹ in Lakh)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Opening balances		
Finished goods		
Cloth	5,035.23	4,937.97
Yarn	9,901.96	16,969.09
Work-in-Process	4,259.06	5,354.03
Stock-in-Trade	1,421.11	1,445.21
Waste	322.27	442.65
Scrap	187.35	217.77
Total opening inventories (A)	**21,126.98**	**29,366.72**

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Closing balances		
Finished goods		
Cloth	6,399.13	5,035.23
Yarn	11,591.39	9,901.96
Work-in-Process	5,156.89	4,259.06
Stock-in-Trade	1,460.03	1,421.11
Waste	364.51	322.27
Scrap	123.09	187.35
Total closing inventories (B)	**25,095.04**	**21,126.98**
Loss due to fire (C)	387.08	-
Total (D=B+C)	**25,482.12**	**21,126.98**
Total changes in inventories (A-D)	**(4,355.14)**	**8,239.74**

Note No. 30

Employees' Benefit Expenses

(₹ in Lakh)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Salaries and wages	30,551.06	27,804.71
Contribution to provident and other funds	3,123.28	2,864.02
Staff welfare expenses	1,414.63	1,505.58
Total	**35,088.97**	**32,174.31**

Note No. 31

Finance Cost

(₹ in Lakh)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest Expenses		
Interest on loan from Government of India	4,683.75	4,683.75
Interest on bank loan for working capital	129.35	2.55
Interest on trade credits	7.71	16.17
Interest on cotton dues	915.59	887.29
Interest on other loans and deposits	25.07	25.99
Interest on provident fund and ESI dues	4.84	9.47
Surcharge on water/electricity etc.	4.40	4.80
Interest on other	197.97	7,136.32
Total	**5,968.68**	**12,766.34**

Note No. 32

Depreciation and Amortization Expenses

(₹ in Lakh)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Depreciation on Property, plant & equipment	5,843.56	13,942.95
Depreciation on Investment property	14.55	-
Amortization of Intangible assets	1.73	1.61
Total	**5,859.84**	**13,944.56**

Note No. 33A

Impairment loss

(₹ in Lakh)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Impairment loss on Property, plant & equipment	11.37	-
Impairment loss on Capital work-in-progrss	461.41	-
Total	**472.78**	**-**

Note No. 33

Other Expenses

(₹ in Lakh)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Stores, Spares, Dyes & Chemicals	3,671.57	3,837.36
Power, fuel & water	23,447.83	23,312.81
Excise duty	0.13	14.90
Repairs to machinery	527.99	485.74
Repairs to building	196.70	261.05
Repairs to other assets	18.84	27.00
Processing/washing charges	547.66	654.66
Job charges	38.15	43.99
Stiching charges	60.55	107.33
Hank yarn obligation	194.38	75.54
Rent	201.78	224.58
Rates & Taxes	912.93	921.90
Insurance	148.96	168.32
Publication of notices	23.19	40.36
Entertainment expenses	22.12	26.59
Hotel and Incidental	29.93	34.87

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Payment to Statutory Auditors		
- For Statutory audits	41.64	39.96
- For Tax audits	12.72	11.57
- For Other services	3.15	3.15
- Reimbursement of expenses	6.08	9.04
Payment to Other Auditors		
- For Internal audits	28.06	30.95
- For Cost audits	9.19	7.80
- For Taxation work	6.79	4.27
- Other company law matters	1.15	3.73
Postage, telegram & fax	38.63	40.06
Telephones	73.41	89.71
Printing & stationery	100.12	94.33
Vehicles running & maintenance	70.62	73.43
Legal and professional charges	1,120.33	926.88
Traveling expenses	278.80	269.67
Local conveyance	185.27	171.37
Director's traveling expenses	19.85	26.63
Director's sitting fees	5.52	0.36
Water and electricity charges	238.75	288.99
Miscellaneous expenses	273.48	232.36
Data processing charges	35.43	36.42
Watch and ward expenses	631.78	544.92
Repair to other assets	45.29	46.36
Festival expenses	18.94	20.40
Annual maintenance charges	16.09	12.05
Fee and subscription	22.62	16.23
Filing Fee	1.86	1.04
Loss due to fire	4,781.74	-
Maintenance of office building	160.04	175.28

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Other administrative expenses	418.40	366.37
Carrying charges on cotton	28.55	19.43
Training & Development	81.67	127.62
Meeting/ committee expense	30.76	34.58
Bank charges	79.53	57.62
Cash discount allowed	97.61	219.50
Foreign exchange rate difference (net)	3.86	-
Guarantee fee	2.10	1.03
Corporate social responsibility	5.00	0.93
Provisions		
- Doubtful debts	1,005.56	165.40
- Other current assets	76.43	1.44
- Obsolete stores	3.83	0.55
Brokerage	395.43	426.96
Commission on sales	934.16	1,109.18
Sales expenses	123.65	140.40
Publicity expense	227.94	270.02
Export expense	13.84	73.11
Other incidental, forwarding expenses	121.70	311.83
Total	**41,920.08**	**36,739.93**

Note No. 34

Exceptional Items

(₹ in Lakh)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Modified voluntary retirement scheme	(386.81)	(926.30)
Profit/(loss) on sale of assets	2,980.57	141,237.95
Additional compensation received on account of land acquisition	34.39	-
Total	**2,628.15**	**140,311.65**

Note No. 35

Tax Expense

Tax recognised in statement of profit and loss (₹ in Lakh)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Current income tax		
Current year	1,349.29	1,436.26
Adjustments for prior years	5.04	1.16
Sub Total (A)	**1,354.33**	**1,437.42**
Deferred tax expense		
Origination and reversal of temporary differences	(25.66)	(45.73)
Sub Total (B)	**(25.66)**	**(45.73)**
Total (A+B)	**1,328.67**	**1,391.69**

Tax recognised in other comprehensive income

(₹ in Lakh)

Particulars	As at March 31, 2018	As at March 31, 2017
Tax effect on defined benefit plan	(7.01)	(1.51)
Total	**(7.01)**	**(1.51)**

Note No. 36 Disclosure Note

36.01 Contingent Liabilities:

(₹ in Lakh)

	Particulars	As at March 31, 2018	As at March 31, 2017
a)	Claims against the group not acknowledged as debts including foreign currency claim towards:		
	- Workmen Compensation	7,307.62	7,049.45
	- Excise and Custom Duty	481.10	680.19
	- Sales Tax/Purchase Tax Disputed	5,702.83	5,789.92
	- Disputed Claims in appeals	76.20	465.40
	- Disputed property tax and other taxes	1,628.71	1,751.38
	- Premium claimed by Government of Maharashtra–New Hind Textile Mills	3,477.62	3,477.62
	- Disputed Market fee under appeal (post nationalisation)	278.54	278.54
	- Claims by the parties for 11 JVs mills for damages towards loss of profits due to cancellation of JVs	51,362.00	51,362.00
	- Others	3,954.41	3,784.33
b)	Guarantees given by Group to Banks/Financial Institutions/ Others	649.81	564.31
c)	Others		
	- Disputed Income Tax Demand	1,402.65	3,721.98
	- Estimated damages and interest on PF & ESI dues (pre nationalisation)	127.70	118.44
	- Estimated damages on PF & ESI dues (post nationalisation)	10,078.88	10,288.02
	- Electricity Dues (pre nationalisation/ under litigation)	144.27	143.03
	- Liability Towards export obligations	757.58	598.26
	Total	**87,429.92**	**90,072.87**

36.02 Commitments:

Estimated amount of contracts remaining to be executed on capital and other account and not provided for as on reporting periods are as follows : **(₹ in Lakh)**

Particulars	As at March 31, 2018	As at March 31, 2017
Estimated amount of contract remaining to be executed on Capital Account	380.56	320.64
Total	**380.56**	**320.64**

36.03 Disclosures in respect of Ind AS 107 - Financial Instruments

A. Financial Instruments by Categories

The carrying value and fair value of financial instruments by categories are as follows:

(₹ in Lakh as at March 31, 2018)

Particulars	Amortized cost	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
Assets:					
Investments					
- Equity Instruments	-	-	77.28	77.28	77.28
- Government and trust securities	-	-	0.01	0.01	0.01
- Other non current investment	-	-	0.53	0.53	0.53
Cash & Cash Equivalents	12,902.49	-	-	12,902.49	12,902.49
Bank Balances other than Cash and Cash Equivalents	44,226.53	-	-	44,226.53	44,226.53
Trade Receivables	58,370.70	-	-	58,370.70	58,370.70
Loans	9,918.70	-	-	9,918.70	9,918.70
Other Financial Assets	9,479.22	-	-	9,479.22	9,479.22
Liabilities:					
Trade Payables	32,884.14	-	-	32,884.14	32,884.14
Borrowings	71,814.17	-	-	71,814.17	71,814.17
Other Financial Liabilities	21,757.12	-	-	21,757.12	21,757.12

The carrying value and fair value of financial instruments by categories are as follows: (₹ in Lakh)

Particulars	Amortized cost	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
Assets:					
Investments in Equity Instruments	-	-	37.72	37.72	37.72
Investment in Other non current investment	-	-	0.01	0.01	0.01
Investment in government securities	-	-	0.53	0.53	0.53
Cash & Cash Equivalents	27,996.23	-	-	27,996.23	27,996.23
Bank Balances other than Cash and Cash Equivalents	70,951.61	-	-	70,951.61	70,951.61
Trade Receivables	63,996.93	-	-	63,996.93	63,996.93
Loans	9,766.85	-	-	9,766.85	9,766.85
Other Financial Assets	4,606.59	-	-	4,606.59	4,606.59
Liabilities:					
Trade Payables	35,595.13	-	-	35,595.13	35,595.13
Borrowings	67,224.65	-	-	67,224.65	67,224.65
Other Financial Liabilities	37,840.04	-	-	37,840.04	37,840.04

B. Fair Value Hierarchy

All the financial assets and liabilities for which fair value is measured or disclosed are categorised within the fair value hierarchy described as follows:

– **Level 1-** Level 1 hierarchy includes financial instruments measured using quoted prices (unadjusted) in active markets.

– **Level 2 -** Level 2 hierarchy includes financial instruments measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

– **Level 3 -** Level 3 hierarchy includes financial instruments measured using inputs that are not based on observable market data (unobservable inputs).

The following table presents fair value hierarchy of financial assets and liabilities measured at fair value:

(₹ in Lakh as at March 31, 2018)

Particulars	Level 1	Level 2	Level 3	Total	Valuation Technique and key inputs
Financial Assets					
Investment in Equity Instruments - Quoted	46.04	-	-	46.04	Market Price
Investment in Equity Instruments - Un-quoted	-	-	31.24	31.24	Cost adopted as best estimated of Fair Value
Investments in Government or Trust Securities - Quoted	-	-	-	-	Market Price
Investments in Government or Trust Securities- Unquoted	-	-	0.01	0.01	Cost adopted as best estimated of Fair Value
Others Investments	-	-	0.53	0.53	Cost adopted as best estimated of Fair Value
Total	**46.04**	**-**	**31.78**	**77.82**	

The following table presents fair value hierarchy of financial assets and liabilities measured at fair value:

(₹ in Lakh as at March 31, 2017)

Particulars	Level 1	Level 2	Level 3	Total	Valuation Technique and key inputs
Financial Assets					
Investment in Equity Instruments - Quoted	31.60	-	-	31.60	Market Price
Investment in Equity Instruments - Un-quoted	-	-	6.12	6.12	Cost adopted as best estimated of Fair Value
Investments in Government or Trust Securities - Quoted	-	-	-	-	Market Price
Investments in Government or Trust Securities- Unquoted	-	-	0.01	0.01	Cost adopted as best estimated of Fair Value
Others Investments	-	-	0.53	0.53	Cost adopted as best estimated of Fair Value
Total	**31.60**	**-**	**6.66**	**38.26**	

Financial assets and liabilities which are measured at amortized cost for which fair values are disclosed

(₹ in Lakh as at March 31, 2018)

Particulars	Level 1	Level 2	Level 3	Total
Financial assets				
Loans	-	-	9,918.70	9,918.70
Other financial assets	-	-	9,479.22	9,479.22
Total financial assets	-	-	19,397.92	19,397.92
Financial Liabilities				
Trade Payable	-	-	32,884.14	32,884.14
Borrowings	-	-	71,814.17	71,814.17
Other financial liabilities	-	-	21,757.12	21,757.12
Total financial liabilities	**-**	**-**	**126,455.43**	**126,455.43**

Financial assets and liabilities which are measured at amortized cost for which fair values are disclosed

(₹ in Lakh as at March 31, 2017)

Particulars	Level 1	Level 2	Level 3	Total
Financial assets				
Loans	-	-	9,766.85	9,766.85
Other financial assets	-	-	4,606.59	4,606.59
Total financial assets	-	-	14,373.44	14,373.44
Financial Liabilities				
Trade Payable	-	-	35,595.13	35,595.13
Borrowings	-	-	67,224.65	67,224.65
Other financial liabilities	-	-	37,840.04	37,840.04
Total financial liabilities	**-**	**-**	**140,659.82**	**140,659.82**

C. Financial risk management

Financial risk factors

The group's activities expose it to a variety of financial risks: credit risk and liquidity risk. The group's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

a) Credit Risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables and unbilled revenue. Accordingly, credit risk from trade receivables has been separately evaluated from all other financial assets in the following paragraphs

Trade Receivables

The group has outstanding trade receivables amounting to ₹ 58,370.70 Lakh and ₹ 63,996.93 Lakh, as of March 31, 2018 and March 31, 2017 respectively. Trade receivables are generally unsecured and are derived from revenue earned from customers.

On account of adoption of Ind-AS 109, the group uses expected credit loss model to assess the impairment loss or gain. The group uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available credit risk factors such as the group’s historical experience for customers.

Credit risk exposure

An analysis of age of trade receivables at each reporting date is summarized as follows: (₹ in Lakh)

Particulars	As on March 31, 2018		As on March 31, 2017	
	Gross	Impairment	Gross	Impairment
Not past due	27,817.82	-	21,319.67	-
Past due less than three months	12,970.72	-	23,299.61	-
Past due more than three months but not more than six months	6,627.24	-	13,629.85	-
Past due more than six months but not more than one year	5,198.30	-	5,078.59	-
More than one year	8,184.85	2,428.23	2,093.92	1,424.71
Total	**60,798.93**	**2,428.23**	**65,421.64**	**1,424.71**

Generally trade receivables are impaired after three years when recoverability is considered doubtful based on the group trend. The Group considers that all the above financial assets that are not impaired and past due for each reporting dates under review are of good credit quality.(Not past due are the amounts which are yet to be received and is receivable as due date of invoice has not arrived. In case there is no credit period the date of invoice is the due date.)

Other financial assets

Credit risk relating to cash and cash equivalents is considered negligible since our counterparties are banks which are majorly owned by Government of India and are have oversight of Reserve Bank of India. We consider the credit quality of term deposits with such banks to be good, and we review these banking relationships on an ongoing basis. We consider all the above financial assets as at the reporting dates to be of good credit quality.

b) Liquidity Risk

Our liquidity needs are monitored on the basis of yearly projections. The group's principal sources of liquidity are cash and cash equivalents and cash generated from operations.

We manage our liquidity needs by continuously monitoring cash inflows and by maintaining adequate cash and cash equivalents. Net cash requirements are compared to available cash in order to determine any shortfalls.

Short term liquidity requirements consist mainly of trade payables, expense payables, employee dues arising during the normal course of business as of each reporting date. We maintain a sufficient balance in cash and cash equivalents to meet our short term liquidity requirements.

We assess long term liquidity requirements on a periodical basis and manage them through internal accruals.

The table below provides details regarding the contractual maturities of non-derivative financial liabilities. The table has been drawn up based on the earliest date on which the group can be required to pay the financial liabilities. The table includes both principal & interest cash flows.

(₹ in Lakh as at March 31, 2018)

Particulars	Upto 6 months	More than 6 months upto 1 year	More than 1 year upto 3 years	More than 3 years upto 5 years	More than 5 years	Total
Trade payables	29,221.32	3,649.11	10.52	-	3.19	32,884.14
Borrowings	71,814.17	-	-	-	-	71,814.17
Other financial liabilities	15,922.42	5,541.71	292.99	-	-	21,757.12
Total	**116,957.91**	**9,190.82**	**303.51**	**-**	**3.19**	**126,455.43**

(₹ in Lakh as at March 31, 2017)

Particulars	Upto 6 months	More than 6 months upto 1 year	More than 1 year upto 3 years	More than 3 years upto 5 years	More than 5 years	Total
Trade payables	35,570.97	12.25	8.72	3.19	-	35,595.13
Borrowings	67,224.65	-	-	-	-	67,224.65
Other financial liabilities	32,412.13	5,137.66	290.25	-	-	37,840.04
Total	**135,207.75**	**5,149.91**	**298.97**	**3.19**	**-**	**140,659.82**

36.04 Disclosure in respect of Indian Accounting Standard (Ind AS)-21 "The Effects of changes in Foreign Exchange Rates"

During the year, an amount of ₹ 3.86 Lakh on account of exchange difference loss (net) debited to the Statement of Profit & Loss. (previous year gain of ₹ 22.64 Lakh).

36.05 Disclosure in respect of Indian Accounting Standard (Ind AS)-36 "Impairment of Assets"

During the year, the group has assessed the impairment of assets and impairment loss of ₹ 472.78 Lakh has been charged in the Statement of profit and loss during the current financial year.

In respect of India United Textile Miills, the company does not have proper factory permits /licenses under section 390 of MMC Act to carry out manufacturing activity in its Mumbai Unit. The company is in receipt of notice to shut down the plant. As indicators of impairment were existed on plant and machinary, the company have made impairment testing of its plant and machinery through M/S Bombay Textile Research Association and accordingly, based on the valuation report submitted by M/S Bombay Textile Research Association ₹ 11.37 lakh has been charged to profit and loss as Impairment loss. Remaining amount of impairment loss pertains to parent company for which disclosure has been provided in company's standalone financial statements.

36.06 Disclosure in respect of Indian Accounting Standard (Ind AS)-19 "Employee Benefits"

A. General description of various defined employee's benefits schemes are as under:

(i) Provident Fund:

The Group's contribution paid/payable during the year to Provident Fund Trust/ Regional Provident Fund and the liability is recognized on accrual basis. The group's Provident Fund Trusts are exempted under Section 17 of Employees' Provident Fund and Miscellaneous Provisions Act, 1952. The conditions for grant of exemptions stipulate that the employer shall make good deficiency, if any, in the interest rate declared by the Trusts vis-à-vis statutory rate. The group does not anticipate any further obligations in the near foreseeable future having regard to the assets of the funds and return on investment.

(ii) Gratuity:

Gratuity is paid to all employees on retirement/separation based on the number of years of service. The disclosure of information as required under Ind AS-19 has been made in accordance with the actuarial valuation.

(iii) Sick Leave:

Employees who are entitled for sick leave on full pay for each calendar year and can be carried forward/availed till the date of retirement/separation. The liability on this account is recognized on the basis of actuarial valuation.

(iv) Leave Encashment:

Payable on separation to eligible employees who have accumulated earned leave. Encashment of accumulated earned leave is also allowed during service to eligible employees. The liability on this account is recognized on the basis of actuarial valuation.

(v) LTC:

Provided to eligible employees for the sanctioned tours during employment as per the Companies Policy. The liability on this account is recognized on the basis of actuarial valuation.

(vi) Terminal Benefits

Provided to the employees after retirement and may also include relocation expenses if the employee was out stationed from his place of residence. The liability on this account is recognized on the basis of actuarial valuation.

B. The summarized position of various defined benefits recognized in the Statement of Profit & Loss, Other Comprehensive Income (OCI) and Balance Sheet & other disclosures are as under:

(i) Actuarial Assumption: **(₹ in Lakh)**

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Method used	Projected Unit Credit Method	
Discount rate	7.29%-7.88%	7.26%-7.29%
Rate of salary increase	5.00%-6.00%	5.00%-6.00%
Rate of Employee Turnover	1.00%-2.00%	1.00% - 2.00%
Mortality rate during Employment	Indian Assured Lives Mortality Rate (2006-2008)	

(ii) Change in Present Value of Projected Benefit Obligation **(₹ in Lakh)**

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
	Gratuity	
Present value of obligations as at beginning of year	11,988.42	12,427.05
Interest cost	870.32	992.78
Current Service Cost	552.18	449.03
Benefits paid	(2,190.63)	(2,261.70)
Past Service Cost	660.98	(1.64)
Actuarial (gain)/loss on obligations due to change in financial assumption	(294.39)	377.15
Actuarial (gain)/loss on obligations due to experience	406.08	5.75
Present value of obligations as at end of year	11,992.96	11,988.42

(iii) Net Interest Cost for the period **(₹ in Lakh)**

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
	Gratuity	
Present Value of Benefit obligation at the beginning of the period	11,988.42	12,427.05
Fair Value of Plan Assets at the beginning of the Period	-	-
Net Liability / (Assets) at the beginning	11,988.42	12,427.05
Interest cost	870.32	992.78
Net Interest cost for the current period	870.32	992.78

(iv) The amounts recognized in the balance sheet **(₹ in Lakh)**

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
	Gratuity	
Present value of obligations as at the end of year	11,992.96	11,988.42
Fair value of plan assets as at the end of the year	-	-
Funded status - (Surplus)/Deficit	11,992.96	11,988.42
Net (Asset)/Liability recognized in balance sheet	11,992.96	11,988.42

(v) Expenses Recognized in Statement of Profit and Loss **(₹ in Lakh)**

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
	Gratuity	
Current service cost	552.18	449.03
Past Service Cost and Loss/(Gain) on curtailments and settlement	660.98	(1.64)
Interest cost	870.32	992.78
Expenses recognised	2,083.48	1,440.17

(vi) Amount recognized in Other Comprehensive Income (OCI) **(₹ in Lakh)**

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
	Gratuity	
Actuarial (gain)/loss on obligation for the period	111.69	382.90
Net(Income)/Expenses recognised for the period recognised in OCI	111.69	382.90

(vii) Balance Sheet Reconciliation **(₹ in Lakh)**

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
	Gratuity	
Opening net liability	11,988.42	12,427.05
Expenses recognised in statement of profit and loss	2,083.48	1,440.17
Expenses recognised in other comprehensive Income	111.69	382.90
Net liability/ (Assets) transfer In	-	-
Net liability/ (Assets) transfer out	-	-
Benefit paid directly by the employer	(2,190.63)	(2,261.70)
Net liability/ (assets) recognised in Balance Sheet	11,992.96	11,988.42

(viii) Sensitivity Analysis **(₹ in Lakh)**

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
	Gratuity	
Projected Benefit Obligation on Current Assumptions	11,992.96	11,988.42
Delta Effect of +0.5% change in Discounting	(343.10)	(322.09)
Delta Effect of -0.5% change in Discounting	373.79	349.60
Delta Effect of +0.5% change in rate of Salary Increase	378.78	355.08
Delta Effect of -0.5% change in rate of Salary Increase	(349.61)	(327.27)

(ix) Expected Benefit Payments **(₹ in Lakh)**

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
	Gratuity	
First following year	2,836.74	2,938.92
Second following year	1,207.23	1,004.02
Third following year	1,890.92	1,747.12
Fourth following year	1,507.70	1,561.41
Fifth following year	1,232.58	1,343.96
Sum of 6 to 10 years	3,956.54	3,938.91

36.07 Disclosure in respect of Indian Accounting standard (Ind AS)-108: "Operating Segments"

Based on the "management approach" as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented for each business segment. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual business segments, and are as set out in the significant accounting policies. The Group has identified two primary business segments i.e. Yarn & Cloth.

Segment Revenue, Segment Results, Segment Assets and Segment Liabilities include the respective amounts identifiable to each of the segments as also amounts allocated on a reasonable basis. The revenue/expenses which are not directly relatable to the Business Segments are shown as unallocated revenue/expenses. Assets & Liabilities that cannot be allocated between the segments are shown as unallocated Assets & Liabilities respectively.

a) Segment Revenue and Expense

Details regarding revenue and expenses attributable to each segment

Segment assets include all operating assets in respective segments comprising of net fixed assets and current assets, loans and advances etc. Assets relating to corporate and others are included in unallocated segments. Segment liabilities include liabilities and provisions directly attributable to respective segment.

Segment revenues and results

(₹ in Lakh for the year ended March 31, 2018)

Particulars	Cloth	Yarn	Others	Unallocated	Total
REVENUE					
External Sales	115,203.24	88,876.50	3,763.36	-	207,843.10
Other Operating Revenue	92.45	3,278.22	-	-	3,370.67
Revenue from operations	115,295.69	92,154.72	3,763.36	-	211,213.77
Other Income	15.27	-	-	11,623.97	11,639.24
Total Revenue	115,310.96	92,154.72	3,763.36	11,623.97	222,853.01
Total Revenue from each segment as a percentage of total revenue of all segment	51.74	41.35	1.69	5.22	100.00
EXPENSES					
Segment expenses	(107,040.10)	(127,702.06)	(3,432.35)	(9,220.18)	(247,394.69)
Total Expenses	**(107,040.10)**	**(127,702.06)**	**(3,432.35)**	**(9,220.18)**	**(247,394.69)**
RESULTS					
Segments results (Profit/Loss)	8,270.86	(35,547.34)	331.01	2,403.79	(24,541.68)
Interest expenses (external)	-	-	-	(5,968.11)	(5,968.11)
Profit/(loss) before exceptional items and tax	8,270.86	(35,547.34)	331.01	(3,564.32)	(30,509.79)
Exceptional items	-	-	-	2,628.15	2,628.15
Tax expenses	8.61	-	-	(1,337.28)	(1,328.67)
Net Profit/loss	8,279.47	(35,547.34)	331.01	(2,273.45)	(29,210.31)

(₹ in Lakh for the year ended March 31, 2017)

Particulars	Cloth	Yarn	Others	Unallocated	Total
REVENUE					
External Sales	94,967.12	97,559.24	57,708.94	-	250,235.30
Other Operating Revenue	-	2,988.45	-	-	2,988.45
Revenue from operations	94,967.12	100,547.69	57,708.94	-	253,223.75
Other Income	5.24	-	-	6,798.14	6,803.38
Total Revenue	**94,972.36**	**100,547.69**	**57,708.94**	**6,798.14**	**260,027.13**
Total Revenue from each segment as a percentage of total revenue of all segment	36.52	38.67	22.19	2.61	100.00
EXPENSES					
Segment expenses	(146,059.01)	(129,190.46)	(1,454.13)	(10,244.72)	(286,948.32)
Total Expenses	(146,059.01)	(129,190.46)	(1,454.13)	(10,244.72)	(286,948.32)
RESULTS					
Segments results (Profit/Loss)	(51,086.65)	(28,642.77)	56,254.81	(3,446.58)	(26,921.19)
Interest expenses (external)	-	-	-	(12,766.34)	(12,766.34)
Profit/(loss) before exceptional items and tax	(51,086.65)	(28,642.77)	56,254.81	(16,212.92)	(39,687.53)
Exceptional items	-	-	-	140,311.65	140,311.65
Tax expenses	(229.51)	-	-	(1,162.18)	(1,391.69)
Net Profit/loss	(51,316.16)	(28,642.77)	56,254.81	122,936.55	99,232.43

b) Segment assets and liabilities

(₹ in Lakh for the year ended March 31, 2018)

Particulars	Cloth	Yarn	Others	Unallocated	Total
SEGMENT ASSETS					
Segment assets	74,136.71	97,388.53	6,087.59	235,897.33	413,510.16
Total Assets	**74,136.71**	**97,388.53**	**6,087.59**	**235,897.33**	**413,510.16**
SEGMENT LIABILITIES					
Segment Liabilities	79,201.46	118,816.62	6,075.36	209,416.72	413,510.16
Total Liabilities	**79,201.46**	**118,816.62**	**6,075.36**	**209,416.72**	**413,510.16**
Capital Expenditure	62.51	359.78	1.43	308.28	732.00
Depreciation/Amortization	1,507.65	3,785.49	23.54	543.16	5,859.84

(₹ in Lakh for the year ended March 31, 2017)

Particulars	Cloth	Yarn	Others	Unallocated	Total
SEGMENT ASSETS					
Segment assets	81,093.03	99,852.38	1,172.04	276,338.26	458,455.71
Total Assets	81,093.03	99,852.38	1,172.04	276,338.26	458,455.71
SEGMENT LIABILITIES					
Segment Liabilities	43,938.94	99,852.38	1,172.04	313,492.34	458,455.71
Total Liabilities	**43,938.94**	**99,852.38**	**1,172.04**	**313,492.34**	**458,455.71**
Capital Expenditure	759.10	733.69	13.73	38.10	1,544.62
Depreciation/Amortization	**2,462.96**	**10,318.88**	**15.08**	**1,147.64**	**13,944.56**

c) Information about major customers

Following are the details of Revenue from Major Customers:- (₹ in Lakh for the year ended March 31, 2018)

Major Customer (customer having more than 10% revenue)	For the year ended March 31, 2018	For the year ended March 31, 2017
Major Customer- 1 (Cloth)	31,041.35	-
% of Total Revenue	15%	-
Major Customer- 2 (Cloth)	23,477.37	-
% of Total Revenue	11%	-

36.08 Disclosure in respect of Indian Accounting Standard (Ind AS)- 24 "Related Parties Disclosures"

A. Disclosure for other than Govt. Related Entities

a) List of key management personnel

Name	Designation
Sh. Sanjay Rastogi	Chairman & Managing Director w.e.f. 18.06.2017
Sh. Sanjay Saran	Chairman & Managing Director (From 11.06.2018 to 17.06.2018)
Sh. Sarvepalli Srinivas	Chairman & Managing Director (From 18.12.2017 to 31.05.2018)
Sh. P.C. Vaish	Chairman & Managing Director (Date of cessation-17.12.2017)
Sh. Alokendra Banerjee	Director (Marketing) (Date of cessation-05.05..2017)
Dr. Anil Gupta	Director - Finance
Sh. R K Sinha	Director - Human Resource

b) Government and its related entities

i) Government of India - holds 99.76% of equity shares of the parent company and exercise control over the group.

ii) Central Public Sector Enterprises in which Government of India exercise control.

c) Compensation of key management personnel (₹ in Lakh)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2018
Short-term benefits	89.61	198.43
Post-employment benefits	9.38	16.29
Other long-term benefits	32.07	63.28
Total	**131.07**	**278.00**

d) Disclosure for transactions entered with Govt. and Govt. Entities (₹ in Lakh as at March 31, 2018)

Name of Govt/ Govt. Entities	Nature of relationship with the company	Nature of transaction	Amount	Outstanding Balances	
				Receivable	Payable
GOI	Majority owner	Interest on loan	4,683.75	-	71,383.78
GOI	Majority owner	Sales	310.16	50.04	-
CPSEs	Related through GOI	Purchase	22,552.66	-	4,787.51
CPSEs	Related through GOI	Sales	2,873.64	2,456.56	-
CPSEs	Related through GOI	Rent	524.99	79.45	-

(₹ in Lakh as at March 31, 2017)

Name of Govt/ Govt. Entities	Nature of relationship with the company	Nature of transaction	Amount	Outstanding Balances	
				Receivable	Payable
GOI	Majority owner	Interest on loan	4,683.75	-	66,700.03
GOI	Majority owner	Sales	513.16	240.20	513.16
CPSEs	Related through GOI	Purchase	25,586.61	0.82	3,535.46
CPSEs	Related through GOI	Sales	84.69	-	-
CPSEs	Related through GOI	Rent	414.42	14.05	-

36.09 Disclosure in respect of Indian Accounting standard (Ind AS) 17 "Leases"

A. As lessee

a) Finance leases :

An amount of ₹ 313.85 lakh was paid in financial year 2012-2013 towards upfront fee for land acquired on lease at Achalpur and considering financial lease, the same was classified under PPE. However, in absence of renewal clause, the same had been re-classified as operating lease on the transition date and necessary adjustments were made in the books. Accordingly, ₹ 276.87 lakh had been treated as pre-payment towards lease rent as on 31.03.2017 and ₹8.50 lakh had been charged under rent.

During the financial year 2017-18, a renewal clause of 35 years has been entered into the said lease. Accordingly, considering the same as finance lease, the said land has been re-classified as financial lease in the financial statement for the year ending March 31, 2018. Necessary adjustments have been made in the books of the accounts of the company towards re-classification. An amount of ₹ 8.50 Lakh which was previously recognised as rent expenses in the year 2016-17 has been re-classified as depreciation expense. An amount of ₹ 285.37 Lakh has been reinstated as Land (Lease hold) under PPE and ₹ 17.00 Lakh (including depreciation of current year) has been shown as accumulated depreciation on lease hold land. Depreciation on such land has been charged during 2017-18 as per existing provisions. The company is liable to pay nominal license of ₹ 1,000/- each year for the above lease during the lease period.

b) Operating lease

– Future minimum lease payments under non-cancellable operating leases **(₹ in Lakh)**

Particulars	As at March 31, 2018	As at March 31, 2017
Not later than 1 year	1.6	1.6
Later than 1 year and not later than 5 years	6.4	6.4
Later than 5 years	6.13	7.73

– Payments recognised as an expense for above lease **(₹ in Lakh)**

Particulars	As at March 31, 2018	As at March 31, 2017
Rent Expenses	1.60	1.60

i) Leasing arrangement: 40 Acres of land is taken on lease by New Minerva Mills, Hassan from Karnataka Industrial Area Development Board, Hassan for 20 years effective from 09.02.2007. The minimum lease payments in the above table, is calculated at an amount of ₹ 1.60 lakh per annum for the for the remaining lease period.

36.10 Disclosure in respect of Indian Accounting Standard (Ind AS)-33 "Earnings Per Share(EPS)"

a) Basic & Diluted EPS

The earnings and weighted average number of ordinary shares used in the calculation of basic & diluted EPS and basic & diluted EPS is as follows:-

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Profit (loss) for the year, attributable to the owners of the company (₹ in Lakh)	(29,210.31)	99,232.43
Weighted average number of ordinary shares for the purpose of basic earnings per share	30,621,601	30,621,601
Basic & Diluted EPS (Amount in ₹)	(95.39)	324.06

36.11 Dues to Micro, Small and Medium Enterprises

As at March 31, 2018 and March 31, 2017, the group has dues to micro, small and medium enterprises amounting to ₹ 136.45 lakh and ₹ 124.01 lakh including overdue interest theron of ₹ 0.71 lakh (previous year ₹ 0.01 lakh).

36.12 Discontinued Operations

The company is continuing all activities of operation and hence in the opinion of management Ind AS -105 related to Discontinued Operation is not applicable.

36.13 Disclosure in respect to change in Accounting Estimate as per Indian Accounting Standard (Ind AS) - 8

In accordance with its Accounting Policy, the group has reviewed the useful life of property, plant and equipment (PPE) during the financial year 2017-18. The useful life of PPE except plant & machinery has been reviewed internally and management believes that the useful life of these assets are same as those prescribed in Schedule II to the Act. Useful life of plant & machinery of spinning and weaving business has been technically evaluated by an independent agency. This review indicated that the estimated life of plant & machinery of spinning and weaving business is 20-30 years (on single shift basis), which is different from previous year estimated life and the life prescribed in Schedule II to the Act. As a result, effective 1st April 2017, the group changed its estimates of the useful life of its plant & machinery to better reflect the estimated periods during which these assets will remain in service.

Accordingly, depreciation on plant and machinery for the year has been calculated as per the residual useful life estimated by the agency. The effect of this change in accounting estimate has an impact of ₹ 6,579.39 Lakhs (reduction in depreciation and amortization expenses) and ₹ 6,579.39 Lakhs (decrease in loss) for the current financial year. The above change in accounting estimate will result in deferment of depreciation and amortization expenses in future periods.

36.14 Group Information

i) Subsidiaries and Associates

The group's subsidiaries and associates are set out below. They have share capital consisting solely of equity shares that are held directly by the group and the proportion of ownership interests held equals to the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Name of Subsidiary/ Associate	Relation with Group	Principal Activity	Place of Incorporation	Ownership held by the group	
				As at March 31, 2018	As at March 31, 2017
Aurangabad Textiles & Apparel Parks Ltd.	Subsidiary	Engaged in manufacturing and trading in textiles.	India	51%	51%
New City of Bombay Mfg. Mills Ltd.	Subsidiary	Engaged in manufacturing and trading in textiles.	India	51%	51%
Apollo Design Apparel Parks Ltd.	Subsidiary	Engaged in manufacturing and trading in textiles.	India	51%	51%
Goldmohur Design & Apparel Parks Ltd.	Subsidiary	Engaged in manufacturing and trading in textiles.	India	51%	51%
India United Textiles Mills Ltd.	Subsidiary	Engaged in manufacturing and trading in textiles.	India	51%	51%
Swadeshi Mining & Manufacturing Ltd.	Subsidiary	Others	India	97.91%	97.91%
Swadeshi Polytex Limited	Associate	Engaged in real estate business	India	33.63%	33.63%

(*) Group is having 17,18,344 shares (97.91%) of Swadeshi Mining & Manufacturing Limited (SMML). however the accounts of the subsidiary company could not be consolidated due to non-finalization of accounts since 1999-2000. Now, SMML is in the process of liquidation before the Company Court, Allahabad bench.

Quoted Fair Value:

All the above entities except associate entity i.e. Swadeshi Polytex Limited, are unlisted entities hence no quoted price is available for the subsidiaries. The quoted price of share of Swadeshi Polytex Limited is ₹ 16.30 per share as at March 31, 2018 (₹ 14.25 per share as at March 31, 2017.)

ii) Additional Information relating to Subsidiaries and Associates (As per Schedule III of the Companies Act, 2013)

(₹ in Lakh)

Name of entity	Net Assets, i.e Total assets minus Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit or Loss	Amount	As % of Consolidated Other Comprehensive Income	Amount	As % of total Comprehensive Income	Amount
Parent Entity								
National Textile Corporation Ltd.	89.93	212,722.87	103.92	(31,545.96)	106.09	(117.50)	103.93	(31,663.45)
Subsidiaries and Associates								
Aurangabad Textiles & Apparel Parks Ltd.	0.66	1,556.91	0.21	(64.79)	(0.43)	0.47	0.21	(64.31)
New City of Bombay Mfg. Mills Ltd.	2.94	6,952.37	0.11	(33.51)	0.03	(0.04)	0.11	(33.54)
Apollo Design Apparel Parks Ltd.	4.75	11,230.76	(2.77)	841.82	(1.73)	1.91	(2.77)	843.73
India United Textiles Mills Ltd.	6.79	16,065.27	(2.58)	783.21	(3.12)	3.46	(2.58)	786.67
Goldmohur Design & Apparel Parks Ltd.	4.60	10,889.06	(2.66)	808.92	(6.70)	7.42	(2.68)	816.34
Swadeshi Polytex Ltd.	-	-	-	-	-	-	-	-
Less: Non Controllong Interest	(9.67)	(22,880.26)	3.77	(1,144.47)	5.85	(6.48)	3.78	(1,150.95)
Total	**100.00**	**236,536.98**	**100.00**	**(30,354.78)**	**100.00**	**(110.75)**	**100.00**	**(30,465.53)**

The specific notes to accounts of NTC Limited are set out in the standalone financial statements of company. In respect of subsidiaries, the following specific notes to Accounts are disclosed below.

36.15 Aurangabad Textiles & Apparel Parks Ltd.

Out of the total area of land owned by it of 108235.01 sq. mtrs., area under encroachment comes to around 45027.25 sq. mtrs & area under litigation comes to around 11137.96 sq. mtrs. The Company has paid property tax in respect of properties in its possession; however property tax has not been paid for area under encroachment or litigation for last many years. So the Company is contingently liable for property tax in respect of such properties & also for consequences of outcome of pending litigations.

36.16 Goldmohur Design & Apparel Parks Ltd.

Loss due to rain

During the year 2017-18, certain PPE and inventories were lost due to incessant rains. The Company lodged an initial estimate of loss of ₹ 24.71 Lakh with the Insurance Company. The survey has been completed by the insurance company and surveyor assessed the loss of ₹ 19.14 Lakh (net of salvage value). However the Company has not received the claim, so assessed by surveyor, so far. During the year ended 31 March 2018, the Company has accounted for loss on this account in the books of account and credited the insurance claim as assessed by the Surveyor. The sale of salvage shall be accounted for as and when it is sold. Further loss/gain if any on account of this incident shall be recognised on receipt of claim from the Insurance Company.

36.17 New City of Bombay Mfg. Mills Ltd.

Registration of lease deed is pending, therefore, registration fee of ₹ 0.30 Lakh is payable as and when the registration process will be completed and the same has been provided in the books of accounts.

However, due to delay in registration of lease deed, there would be a penalty imposed by the registration authority, the amount of penalty is uncertain hence not provided in the books & also not disclosed as contingent liability.

The stamp duty liability on account of the execution of the lease deed entered by company for leasing of land (Mill Land and surplus land) along with building and structure thereon, in view of the fact that in terms of subscription and shareholders agreement, strategic partners are to bear the cost of the stamp duty as additional share premium. But the allotment of shares is completed in the financial year 2007-08 while the amount of stamp duty has been identified/arrived & confirmed by the Collector of Stamp Duty, Mumbai in the financial year 2010-11 and the same has been paid in FY 2011-12 hence the said amount received from Strategic Partners has been shown as Capital Reserve . The company has filed an application for the registration of the lease deed before the Collector of stamps, Mumbai. The Company has received a demand notice on 23.02.2011 of ₹ 362.66 Lakh on account of stamp duty payable to the Registering Authority with in 60 day from the date of issue of demand notice i.e. from 23.02.2011. The same has been paid by the company on 21.4.2011. The registration is still pending for want of execution from the lessor i.e. from the NTC Ltd. The stamp duty has been capitalized during the financial year 2010-11 and amortization is done w e f FY 2010-11 and same will be amortized for over the remaining period.

36.18 India United Textile Mills Ltd.

i) Assessment order for the financial year 2008-09 has been passed on 29.06.2011 by the assessing authority of Madhya Pradesh Commercial Tax Bhopal and a demand of ₹ 16.20 Lakh, under Vat Act and ₹ 5.72 Lakh under Entry Tax Act have been raised. The company has made an appeal against the said orders before the Addl. Commissioner of Commercial Tax, Bhopal which was disallowed. The Company filed a second appeal before the M P Appellate Board Bhopal against order of Addl Commissioner of commercial tax, Bhopal which is pending for final decision.

ii) The company is facing several cases under the various sections of the Factories Act, 1948 and the rules framed there-under, however the company is representing these cases and the liability on account of the cost, interest and penalty could not be ascertained pending decision from the concerned judicial authority.

iii) The company is facing several cases under the various sections of the Labour Laws and the rules framed there-under, however the company is representing these cases and the liability on account of the cost, interest and penalty could not be ascertained pending decision from the concerned judicial authority.

iv) The company has exported goods as specified in the obligations under the EPCG rules during the year. However, entry as well as endorsement of export obligation is pending in the EPCG license.

v) The stamp duty liability on account of the execution of the lease deed entered by company for leasing of land (Mill Land and surplus land) along with building and structure thereon, in view of the fact that in terms of subscription and shareholders agreement, strategic partners are to bear the cost of the stamp duty as additional share premium. But the allotment of shares is completed in the financial year 2007-08 while the amount of stamp duty has been identified/arrived & confirmed by the Collector of Stamp Duty, Mumbai in the financial year 2010-11 and the same has been paid in FY 2011-12 hence the said amount received from Strategic Partners has been shown as Capital Reserve . The company has filed an application for the registration of the lease deed before the Collector of stamps, Mumbai. The Company has received a demand notice on 23.02.2011 of ₹ 17,59,50,800- on account of stamp duty payable to the Registering Authority with in 60 day from the date of issue of demand notice i.e. from 23.02.2011. The same has been paid by the company on 21.4.2011. The registration is still pending for want of execution from the lessor i.e. from the NTC Ltd. The company has made a provision for the registration fees of ₹ 0.30 Lakh in respect of the Lease Deed yet to be registered. However, the provision for the penalty for non- registration /delayed registration is not provided and will be accounted for on actual payment."

36.19 The company has appointed a firm of chartered accountants to carry out the Special Audit for the financial year 2014-15, 2015-16, 2016-17 & for the period April' 17 to December'17 in respect of the following subsidiary companies in the month of March'18 :

i) M/s Goldmohur Design & Apparel Parks Ltd.

ii) M/s India United Textile Mills Ltd.

iii) M/s Apollo Design Apparel Parks Ltd.

Special Audit report has been submitted by the Auditor in the month of May'18. The major observation of the Auditor is that the subsidiary companies are majorly involved in trading activities. Their most of Sales & Purchases are from their respective related parties only and there is absence of sufficient documents confirming movements of goods in respect of the same. The company has already initiated corrective action in this regard.

36.20 Previous period's figures have been regrouped and rearranged whenever considered necessary.

As per our separate report of even date attached
For **TIWARI & ASSOCIATES**
Chartered Accountants
Firm Registration Number: 002870N

For and on behalf of Board of Directors of
National Textile Corporation Limited
CIN: U74899DL1968GOI004866

Sd/-
(Sandeep Sandill)
Partner
Membership No.: 085747

Sd/-
(Pankaj Agarwal)
Company Secretary
PAN: ACZPA4484D

Sd/-
(Dr. Anil Gupta)
Director (Finance)
DIN: 07319209

Sd/-
(Sanjay Rastogi)
Chairman & Managing Director
DIN: 07722405

Place: New Delhi
Date: 09.08.2018

APPENDIX

DETAIL OF LOANS RECEIVED FROM GOVT. OF INDIA FROM 1994-95 ONWARDS

(₹ In Lacs)

Financial Yr.	LOAN						INTEREST				
	Opening Balance	Loan for the Yr.	Managed Mills	Conversion into equity	Loan Written Off	Closing Balance	Opening Balance	Interest for the Yr.	Interest adjustment	Interest Waived Off	Closing Balance
1994-1995	202,848.47	12,300.00	(25,106.26)			190,042.21	80,637.88	3,154.97	(26,689.06)		57,103.79
1995-1996	190,042.21	23,500.00				213,542.21	57,103.79	655.97			57,759.76
1996-1997	213,542.21	33,300.00				246,842.21	57,759.76	6,133.03			63,892.79
1997-1998	246,842.21	49,964.00				296,806.21	63,892.79	20,834.68			84,727.47
1998-1999	296,806.21	40,800.00				337,606.21	84,727.47	27,032.81			111,760.28
1999-2000	337,606.21	49,400.00				387,006.21	111,760.28	34,661.05			146,421.33
2000-2001	387,006.21	49,400.00				436,406.21	146,421.33	45,935.43			192,356.76
2001-2002	436,406.21	38,500.00		(2,800.00)		472,106.21	192,356.76	55,125.70		(833.41)	246,649.05
2002-2003	472,106.21	35,047.00				507,153.21	246,649.05	62,244.08			308,893.13
2003-2004	507,153.21	32,470.45		(251,479.00)		288,144.66	308,893.13	46,500.76	(45,291.78)	(144,568.00)	165,534.11
2004-2005	288,144.66	25,717.00				313,861.66	165,534.11	51,152.55			216,686.66
2005-2006	313,861.66	26,400.00				340,261.66	216,686.66	55,427.51			272,114.17
2006-2007	340,261.66	6,250.00				346,511.66	272,114.17	60,945.06			333,059.23
2007-2008	346,511.66	6,250.00				352,761.66	333,059.23	61,977.37			395,036.60
2008-2009	352,761.66	14,500.00			(340,261.66)	27,000.00	395,293.60	2,014.78	(120,579.85)	(272,713.00)	4,015.53
2009-2010	27,000.00	-				27,000.00	4,015.53	4,069.46			8,084.99
2010-2011	27,000.00	-				27,000.00	8,084.99	4,157.66			12,242.65
2011-2012	27,000.00	-				27,000.00	12,242.65	4,334.32			16,576.97
2012-2013	27,000.00	-				27,000.00	16,576.97	4,476.53			21,053.50
2013-2014	27,000.00	-				27,000.00	21,053.50	4,595.28			25,648.78
2014-2015	27,000.00	-				27,000.00	25,648.78	4,683.75			30,332.53
2015-2016	27,000.00	-				27,000.00	30,332.53	4,683.75			35,016.28
2016-2017	27,000.00	-				27,000.00	35,016.28	4,683.75			39,700.03
2017-2018	27,000.00	-				27,000.00	39,700.03	4,683.75			44,383.78
TOTAL		**443,798.45**	**(25,106.26)**	**(254,279.00)**	**(340,261.66)**			**574,164.00**	**(192,560.69)**	**(418,114.41)**	

Note: * Includes Loan of ₹ 175.00 Lacs directly given by GOI to erstwhile NTC (MN) LTD
**Includes Interest of ₹ 257.00 Lacs provided on above loan given to erstwhile NTC (MN) Ltd.

Form No. MGT-11

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN No.: U74899DL1968GOI004866
Name of the Company: National Textile Corporation Limited
Registered Office: SCOPE Complex, Core-IV, 7, Lodhi Road, New Delhi - 110 003

Name of the Member(s):
Registered address:
E-mail Id:
Folio No./Client Id
DP. Id:

I/We, being the Member(s) of ……..…… shares of the above named Company, hereby appoint

1. Name: ……
   Address: ……
   E-mail Id: ………………………………………………………… Signature:……………………………………, or failing him
2. Name: ……
   Address: ……
   E-mail Id: ………………………………………………………… Signature:……………………………………, or failing him
3. Name: ……
   Address: ……
   E-mail Id: ………………………………………………………… Signature:……………………………………, or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 50th Annual General Meeting of the Company, to be held on the 26th Day of November, 2018 at 10.30 A.M. at Registered Office of Company at SCOPE Complex, Core-IV, 7, Lodhi Road, New Delhi - 110 003 and at any adjournment thereof in respect of such resolutions as are indicated below:-

Resolution No.

1.

2.

3.

4.

Signed this………………………day of ……………………………….2018.

Signature of shareholder(s)

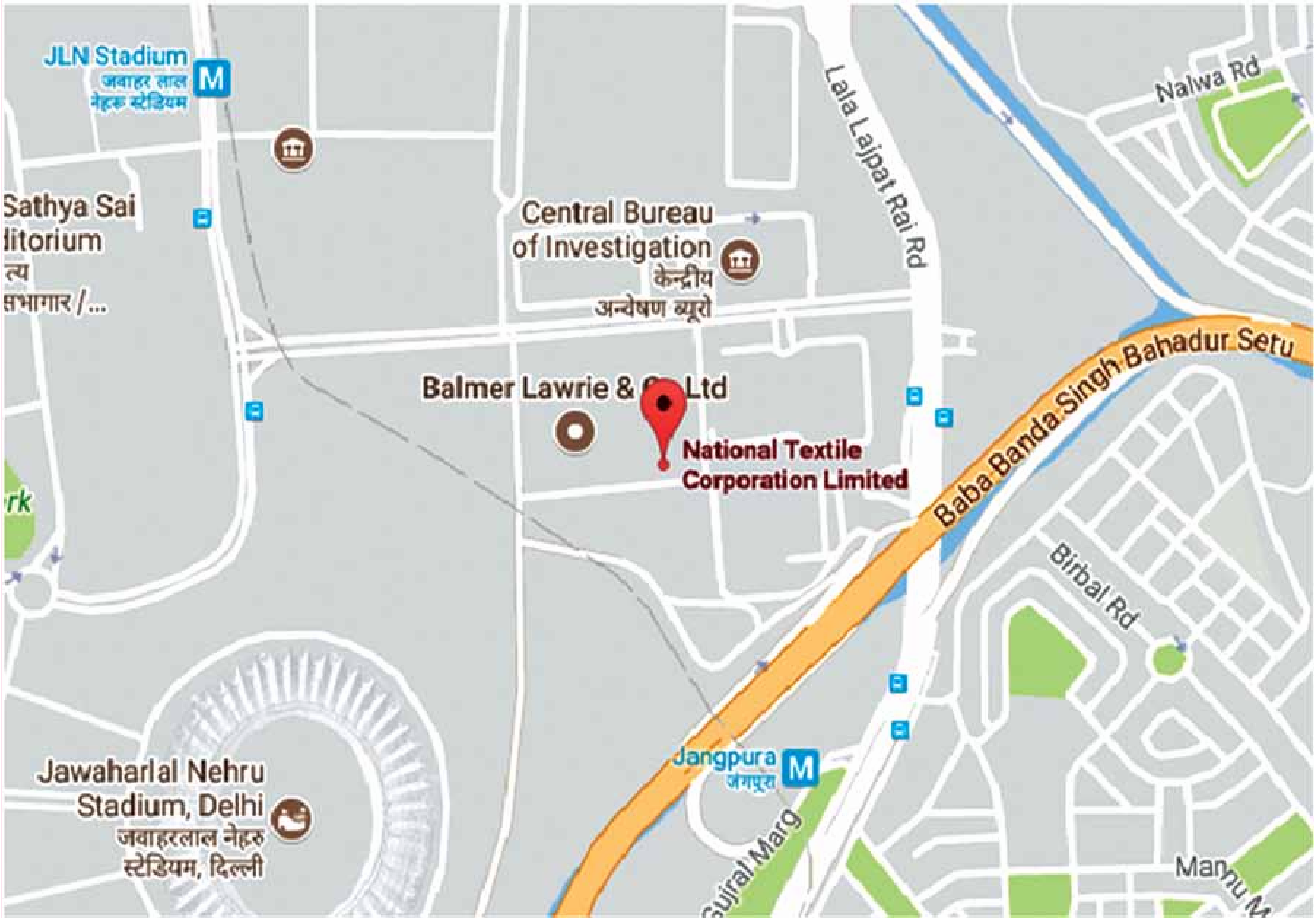
Affix Revenue Stamp

Signature of Proxy holder(s)

Notes: 1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

ROUTE MAP OF 50TH ANNUAL GENERAL MEETING

VENUE: SCOPE COMPLEX, CORE – IV, 7, LODHI ROAD, NEW DELHI – 110003



ATTENDANCE SLIP

50th Annual General Meeting, Monday, the 26th Day of Novembr, 2018 at 10.30 A.M.

CIN : U74899DL1968GOI004866
Name of the Company: National Textile Corporation Limited
Registered Office: SCOPE Complex, Core-IV, 7, Lodhi Road, New Delhi - 110 003

Regd. Folio No.			*** DP ID:**	
No. of Equity Shares held			*** Client ID:**	

Name of the Member	
Name of Proxy	

I/We hereby record my / our presence at the 50th Annual General Meeting of the members of the Corporation held on Monday, the 26th Day of November, 2018 at 10.30 A.M. at the registered office of the Corporation at SCOPE Complex, Core-IV, 7, Lodhi Road, New Delhi - 110 003.

SIGNATURE OF THE MEMBER OR THE PROXY ATTENDING THE MEETING

If Member, Please sign here

If Proxy, Please sign here

Note: This form should be signed and handed over at the Meeting Venue.

* Applicable for investors holding shares in electronic form.

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NTC
नेशनल टेक्सटाइल कारपोरेशन लिमिटेड
भारत सरकार का उपक्रम
कोर–4, स्कोप कॉम्प्लेक्स, 7, लोधी रोड, नई दिल्ली–110003

National Textile Corporation Limited
Government of India Undertaking
Core-IV, Scope Complex, 7, Lodhi Road, New Delhi - 110 003