

Polycab India Ltd.

(formerly known as Polycab Wires Ltd)

UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENT JUN-19



Polycab India Limited (Formerly known as 'Polycab Wires Limited')
Unaudited Interim Condensed Consolidated Financial Statements for the quarter ended June 30, 2019

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Report on Review of Unaudited Condensed Consolidated Interim Financial Statements

To the Board of Directors of Polycab India Limited

Introduction

We have reviewed the accompanying unaudited condensed consolidated interim financial statements of Polycab India Limited (“the Parent”), its subsidiaries as listed in paragraph below (the Parent and its subsidiaries together referred to as ‘the Group’) and its joint ventures, which comprise the unaudited interim condensed consolidated balance sheet as at 30 June 2019, the unaudited interim condensed consolidated statement of profit and loss (including other comprehensive income) for the quarter ended on that date, the unaudited interim condensed consolidated statement of cash flows and the unaudited interim condensed consolidated statement of changes in equity for the quarter ended on that date and a summary of the significant accounting policies and other selected explanatory information (herein after referred to as “the Statement”). The Parent Company’s Board of Directors is responsible for the preparation and fair presentation of the Statement in accordance with the accounting principles generally accepted in India, including the recognition and measurement principles laid down in Indian Accounting Standards (Ind AS) 34, Interim Financial Reporting as specified under section 133 of the Companies Act, 2013 (‘the Act’) read with relevant rules issued thereunder. Our responsibility is to express a conclusion on the Statement based on our review.

The Statement includes the results of the following entities:

Sr. No.	Name of the Company	Subsidiary/ Joint Venture
1	Techno Electromech Private Limited	Joint Venture Company
2	Ryker Base Private Limited	Joint Venture Company
3	Dowells Cable Accessories Private Limited	Subsidiary Company
4	Polycab Wires Italy SRL	Subsidiary Company
5	Tirupati Reels Private Limited	Subsidiary Company

Scope of Review

We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Polycab India Limited

Report on Review of Unaudited Condensed Consolidated Interim Financial Statements (*Continued*)

Conclusion

Based on our review conducted as above and based on the consideration of reports of the other auditors and based on the audited interim financial information of subsidiaries and joint ventures, referred to below in the Other Matters paragraph, nothing has come to our attention that causes us to believe that the accompanying Statement are not prepared in all material aspects in accordance with Ind AS 34, 'Interim Financial Reporting' prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder.

Other Matters

1. We did not review the interim financial statements of three subsidiary Companies and two joint ventures included in the unaudited quarterly consolidated financial statements, whose financial statements reflect the Group's share of total assets of INR 919.98 million, total revenues of INR 264.32 million, total net profit after tax of INR 18.94 million and total comprehensive income of INR 0.05 million for the quarter ended 30 June 2019 as considered in the unaudited quarterly consolidated financial statements. These interim financial statements have been audited by other auditors whose reports have been furnished to us by the management and our report on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors and the procedures performed by us as stated above.

One of these subsidiary Company which is located outside India whose annual financial statement and other financial information have been prepared in accordance with the accounting principles generally accepted in their respective country and which have been audited by other auditors under generally accepted auditing standards applicable in their respective country. The Parent Company's management has converted the annual financial statement and other financial information of such subsidiary Company located outside India from accounting principles generally accepted in their respective country to accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the Parent Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiary Company located outside India is based on the report of other auditor and the conversion adjustments prepared by the Management of the Parent Company and reviewed by us.

Our opinion on the Statement is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.



Polycab India Limited

Report on Review of Unaudited Condensed Consolidated Interim Financial Statements (*Continued*)

2. The figures for 3 months ended 30 June 2018 included in the Statement had been audited by the predecessor auditor. The predecessor auditor's opinion dated 24 October 2018 for the 3 months ended 30 June 2018 was qualified with respect to non-inclusion of comparatives figures for 3 months ended 30 June 2017 in accordance with the requirements of Ind AS 34. Our conclusion on the Statement is not modified in respect of the above matter.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration Number: 101248W/W-100022



Bhavesh Dhupelia

Partner

Membership No. 042070

UDIN: 19042070AAAABW8950

Mumbai
26 July 2019

Polycab India Limited (formerly known as 'Polycab Wires Limited')

Unaudited Interim Condensed Consolidated Balance sheet as at 30 June 2019

(₹ million)

	Notes	As at 30 June 2019 (Unaudited)	As at 31 March 2019 (Audited)
Assets			
Non-current assets			
Property, plant and equipment	3	12,729.36	12,720.86
Capital work-in-progress	3	2,529.97	1,929.97
Right of use assets	4	272.09	-
Intangible assets	5	30.21	34.98
Investment in joint venture	6	331.04	293.85
Financial assets			
a) Trade receivables		1,528.54	1,351.27
b) Other financial assets		88.93	50.88
Income tax assets (net)		106.24	105.84
Other non-current assets		480.89	544.09
		<u>18,097.27</u>	<u>17,031.74</u>
Current assets			
Inventories	7	18,469.79	19,957.85
Financial assets			
a) Investments		4,062.28	-
b) Trade receivables		11,419.58	13,343.16
c) Cash and cash equivalents	8	2,492.99	1,790.59
d) Bank balance other than cash and cash equivalents		2,054.36	1,385.28
e) Loans		177.74	178.34
f) Other financial assets		275.22	724.87
Other current assets		2,759.75	1,870.90
		<u>41,711.71</u>	<u>39,250.99</u>
Assets classified as held for disposal		0.22	0.22
		<u>41,711.93</u>	<u>39,251.21</u>
Total assets		<u><u>59,809.20</u></u>	<u><u>56,282.95</u></u>
Equity and liabilities			
Equity			
Equity share capital		1,486.46	1,412.06
Other equity		31,812.11	27,057.49
		<u>33,298.57</u>	<u>28,469.55</u>
Non-controlling interests		91.86	84.25
		<u>33,390.43</u>	<u>28,553.80</u>
Liabilities			
Non-current liabilities:			
Financial liabilities			
- Borrowings	9	574.24	889.25
- Other non-current financial liabilities(Includes lease liabilities)		194.36	-
Provisions		201.04	162.42
Deferred tax liabilities (Net)		189.66	231.02
Other non-current liabilities		357.29	257.04
		<u>1,516.59</u>	<u>1,539.73</u>
Current liabilities:			
Financial liabilities			
a) Borrowings	10	553.93	1,030.71
b) Trade payables	11	14,706.11	15,201.82
c) Other current financial liabilities(Includes lease liabilities)		2,114.89	1,813.64
Other current liabilities		5,633.58	6,262.63
Provisions		233.71	208.71
Current tax liabilities (Net)		1,659.96	1,671.91
		<u>24,902.18</u>	<u>26,189.42</u>
Total equity and liabilities		<u><u>59,809.20</u></u>	<u><u>56,282.95</u></u>
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Other notes to accounts	21 to 28		

The accompanying notes are an integral part of the unaudited interim condensed consolidated financial statements.

As per our report of even date

For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 101248W/W-100022

For and on behalf of the Board of Directors of
Polycab India Limited (formerly known as 'Polycab Wires Limited')
CIN : U31300DL1996PLC266483

Bhavesh Dhupelia
Partner
Membership No. 042070

Place: Mumbai
Date: 26 July 2019

Inder T. Jaisinghani
Chairman & Managing Director
DIN : 00309108

Ajay T. Jaisinghani
Whole Time Director
DIN : 00276588

S. L. Bajaj
CFO & Whole Time Director
DIN : 02734730

S S Narayana
Company Secretary
Membership No. F5221

Place: Panchmahal, Gujarat
Date: 26 July 2019

Polycab India Limited (formerly known as 'Polycab Wires Limited')

Unaudited Interim Condensed Consolidated Statement of Profit and Loss for the quarter ended 30 June 2019

(₹ million)

	Notes	Quarter ended 30 June 2019 (Unaudited)	Quarter ended 30 June 2018 (Audited)
Income			
Revenue from operations	12	19,329.83	16,826.46
Other income	13	519.00	230.95
Total Income		19,848.83	17,057.41
Expenses			
Cost of materials consumed	14	13,213.71	12,310.34
Purchases of traded goods	15	1,017.46	652.79
Changes in Inventories of finished goods, traded goods and work-in-progress		(724.55)	(653.47)
Project bought outs and other cost	16	771.44	335.70
Employee benefits expense		920.07	711.84
Finance cost	17	123.21	371.68
Depreciation and amortisation expense		384.99	351.55
Other expenses	18	2,078.83	1,740.98
Total Expenses		17,785.16	15,821.41
Profit before share of profit/(loss) of joint ventures		2,063.67	1,236.00
Share of profit/(loss) of joint ventures (Net of tax)		2.19	(34.50)
Profit before tax		2,065.86	1,201.50
Income tax expenses			
Current tax		730.15	454.55
Adjustment of tax relating to earlier periods		(1.49)	-
Deferred tax (credit)/charge		(15.53)	(23.07)
Total tax expense		713.13	431.48
Profit for the quarter		1,352.73	770.02
Profit for the quarter attributable to			
Equity shareholders of parent company		1,345.12	767.80
Non controlling interests		7.61	2.22
		1,352.73	770.02
Other Comprehensive Income			
A. Items that will be reclassified to profit or loss in subsequent periods			
Exchange difference on translation of foreign operations		(0.30)	(4.35)
Net other comprehensive income to be reclassified to profit or loss in subsequent periods		(0.30)	(4.35)
B. Items that will not be reclassified to profit or loss in subsequent periods			
Re-measurement gains / (losses) on defined benefit plans		(40.12)	3.28
Income tax related to above item		14.02	(1.14)
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		(26.10)	2.14
Other comprehensive income for the quarter, net of tax		(26.40)	(2.21)
Total comprehensive Income for the quarter attributable to			
Equity shareholders of parent company		1,318.72	765.59
Non controlling interests		7.61	2.22
		1,326.33	767.81
Earnings per share	19		
Basic earnings per share (₹)		9.12	5.44
Diluted earnings per share (₹)		9.12	5.44
Corporate information and summary of changes in significant accounting policies	1 - 2		
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The accompanying notes are an integral part of the unaudited interim condensed consolidated financial statements.

As per our report of even date

For B S R & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 101248W/W-100022

Bhavesh Dhupelia

Partner

Membership No. 042070

Place: Mumbai

Date: 26 July 2019

For and on behalf of the Board of Directors of
Polycab India Limited (formerly known as 'Polycab Wires Limited')

CIN : U31300DL1996PLC266483

Inder T. Jaisinghani
Chairman & Managing Director
DIN : 00309108

Ajay T. Jaisinghani
Whole Time Director
DIN : 00276588

S. L. Bajaj
CFO & Whole Time Director
DIN : 02734730

S S Narayana
Company Secretary
Membership No. F5221

Place: Panchmahal, Gujarat
Date: 26 July 2019

Polycab India Limited (formerly known as 'Polycab Wires Limited')

Unaudited Interim Condensed Consolidated Statement of Changes in Equity for the quarter ended 30 June 2019

Particulars	Other Equity							Total Equity	Non Controlling Interest
	Equity Share Capital	Securities Premium	General Reserve	Retained Earnings	ESOP Outstanding	Foreign Currency translation reserve	Total Other Equity		
As at 1 April 2018	1,412.06	3,205.60	614.00	18,242.59	-	1.94	22,064.13	23,476.19	40.49
Net Profit for the quarter	-	-	-	767.80	-	-	767.80	767.80	2.22
Other comprehensive income									
Exchange difference on translation of foreign operations	-	-	-	-	-	(4.35)	(4.35)	(4.35)	-
Re-measurement gains / (losses) on defined benefit plans net of tax	-	-	-	2.14	-	-	2.14	2.14	-
Total comprehensive income	-	-	-	769.94	-	(4.35)	765.59	765.59	2.22
Share issued to minority									-
As at 30 June 2018	1,412.06	3,205.60	614.00	19,012.53	-	(2.41)	22,829.72	24,241.78	42.71
Net Profit for the nine months	-	-	-	4,229.23	-	-	4,229.23	4,229.23	3.81
Share based payments to employees	-	-	-	-	149.51	-	149.51	149.51	-
Share issue expense	-	(148.28)	-	-	-	-	(148.28)	(148.28)	-
Other comprehensive income									
Exchange difference on translation of foreign operations	-	-	-	-	-	3.84	3.84	3.84	-
Re-measurement gains / (losses) on defined benefit plans net of tax	-	-	-	(6.53)	-	-	(6.53)	(6.53)	-
Total comprehensive income	-	(148.28)	-	4,222.70	149.51	3.84	4,227.77	4,227.77	3.81
Share issued to minority									37.73
As at 31 March 2019	1,412.06	3,057.32	614.00	23,235.23	149.51	1.43	27,057.49	28,469.55	84.25
Impact on account of adoption of Ind AS 116	-	-	-	(22.72)	-	-	(22.72)	(22.72)	-
Net Profit for the quarter	-	-	-	1,345.12	-	-	1,345.12	1,345.12	7.61
Share based payments to employees	-	-	-	-	63.83	-	63.83	63.83	-
Additions during the quarter	74.40	3,932.39	-	-	-	-	3,932.39	4,006.79	-
Other comprehensive income									
Exchange difference on translation of foreign operations	-	-	-	-	-	(0.30)	(0.30)	(0.30)	-
Re-measurement gains / (losses) on defined benefit plans net of tax	-	-	-	(26.10)	-	-	(26.10)	(26.10)	-
Total comprehensive income	74.40	3,932.39	-	1,296.30	63.83	(0.30)	5,292.22	5,366.62	7.61
Dividends									
Final equity dividend	-	-	-	(445.94)	-	-	(445.94)	(445.94)	-
Tax on final equity dividend	-	-	-	(91.66)	-	-	(91.66)	(91.66)	-
As at 30 June 2019	1,486.46	6,989.71	614.00	23,993.93	213.34	1.13	31,812.11	33,298.57	91.86

Unaudited Interim Condensed Consolidated Statement Of Cash Flows for the quarter ended 30 June 2019

	Quarter ended 30 June 2019 (Unaudited)		Quarter ended 30 June 2018 (Audited)
Profit before tax		2,065.86	1,201.50
Adjustments to reconcile profit before tax to net cash flows:		389.32	713.27
Movements in working capital:		1,949.29	774.27
Income tax paid (including TDS) (net)		(741.01)	(522.48)
Net cash flows from operating activities (A)		3,663.46	2,166.56
Net cash flows from / (used in) investing activities (B)		(5,762.35)	(731.09)
Net cash flows from / (used in) financing activities (C)		2,801.29	(1,395.47)
Net increase / (decrease) in cash and cash equivalents (A+B+C)		702.40	40.00
Cash and cash equivalents at the beginning of the period		1,790.59	82.32
Cash and cash equivalents at the year end -Refer Note 8		2,492.99	122.32

Corporate information and summary of changes in significant accounting policies 1 - 2
 Contingent liabilities and commitments 20
 Other notes to accounts 21 to 28

The accompanying notes are an integral part of the unaudited interim condensed consolidated financial statements.

As per our report of even date
 For B S R & Co. LLP
 Chartered Accountants
 ICAI Firm Registration No. 101248W/W-100022

For and on behalf of the Board of Directors of
Polycab India Limited (Formerly known as 'Polycab Wires Limited')
 CIN : U31300DL1996PLC266483

Bhavesh Dhupelia
 Partner
 Membership No. 042070
 Place: Mumbai
 Date: 26 July 2019

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 Chairman & Managing Director
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Ajay T. Jaisinghani
 Whole Time Director
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S. L. Bajaj
 CFO & Whole Time Director
 DIN : 02734730

S S Narayana
 Company Secretary
 Membership No. F5221

Place: Panchmahal, Gujarat
 Date: 26 July 2019

Polycab India Limited (formerly known as Polycab Wires Limited)

Unaudited Interim Condensed Notes to Consolidated Financial Statements for the Quarter ended 30 June 2019

1. Corporate information

Polycab India Limited ('The Parent Company') is a public limited company (CIN- U31300DL1996PLC266483) domiciled in India and incorporated under the provisions of the Companies Act, 1956. The status of the Company Polycab Wires Private Limited has been changed from Private Limited to Public Limited as per the approval received from Registrar of Companies, Delhi on August 29, 2018 and consequently the name of the Company has been changed to Polycab Wires Limited. The name of the Company has been further changed to Polycab India Limited with Certificate of Incorporation pursuant to change of name dated October 13, 2018. The Registered office of the company is situated at E-554, Greater Kailash-II, New Delhi-110048. The Company is one of the largest manufacturers of various type of cables and wires. The Company is also in the business of Engineering, Procurement and Construction (EPC) projects, Manufacturing and trading of Electrical Wiring Accessories, Electrical Appliances and Agro Pipe and pumps. The Company's manufacturing facilities are located at Daman in Daman and Diu, Halol in Gujarat, Nashik in Maharashtra and Roorkee in Uttarakhand. The Company caters to both domestic and international markets. The Consolidated financial statements relates to Polycab India Limited ('the Parent Company') along with its subsidiaries and joint ventures (collectively referred to as 'the Group').

The Parent Company has entered into the listing agreement with the Securities and Exchange Board of India ('SEBI') on 15 April 2019, pursuant to the requirements of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as a result of which its shares have started trading on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) on 16 April 2019.

2. Significant Accounting Policies

A) Basis of preparation

The Unaudited interim condensed consolidated financial statements ('interim consolidated financial statements') have been prepared in accordance with the measurement and recognition principles of Ind AS 34 'Interim Financial Reporting', prescribed under section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended. Accordingly, the said interim consolidated financial statements do not include all the information required for a complete set of annual Ind AS financial statements and should be read in conjunction with the Group's latest annual Ind AS consolidated financial statements and related notes included in the Group's Annual Report for the year ended 31 March 2019. However, selected explanatory notes are included to explain events and transactions that are significant for the understanding of the changes in the Group's financial position and performance since the latest annual Ind AS financial statements.

All the amounts included in financial statements are reported in ₹ in million, except per share data and unless stated otherwise.

B) Use of estimates

The preparation of financial statements requires the use of certain accounting estimates and judgements. It also requires the Management to exercise judgement in the process of applying the Group's accounting policies. The areas where estimates are significant to financial statements, or areas involving a higher degree of judgement or complexity, are the same as those disclosed in the Group's latest annual Ind AS financial statements for the year ended 31 March 2019.

C) Changes in significant accounting policies

Ind AS 116 Leases

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably

Polycab India Limited (formerly known as Polycab Wires Limited)

Unaudited Interim Condensed Notes to Consolidated Financial Statements for the Quarter ended 30 June 2019

certain that any options to extend or terminate the contract will be exercised. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

The Group as a lessee:

The Group's lease asset classes primarily consist of leases for land and buildings. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Group as a lessor

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

Transition

Effective April 1, 2019, the Group adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Group recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Group's incremental borrowing rate at the date of initial application. Comparatives as at and for the year

Polycab India Limited (formerly known as Polycab Wires Limited)

Unaudited Interim Condensed Notes to Consolidated Financial Statements for the Quarter ended 30 June 2019

ended March 31, 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of our Annual Report for year ended 31 March 2019.

On transition, the adoption of the new standard resulted in recognition of right-of-use asset of ₹ 279.72 million (inclusive of prepaid rentals of ₹ 6.85 million) and a corresponding lease liability of ₹ 307.39 million. The difference of ₹ 22.72 million (net of deferred tax assets created of ₹ 11.81 million) has been adjusted to retained earnings as at 1 April 2019.

The following is the summary of practical expedients elected on initial application:

Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date

Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application and low value asset

Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.

Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

Polycab India Limited (formerly known as 'Polycab Wires Limited')

Unaudited Interim Condensed Notes to Consolidated Financial Statements for the Quarter ended 30 June 2019

(₹ million)

3: Property, plant and equipment

	Freehold land	Leasehold land	Buildings	Plant & equipments	Electrical installations	Furniture & fixtures	Office equipments	Windmill	Vehicles	Leasehold improvements	Total	Capital Work in Progress
Gross carrying amount (at cost)												
At 1 April 2018	1,005.68	56.47	5,550.87	7,778.85	448.17	106.73	192.97	295.04	94.52	3.25	15,532.55	1,359.93
Additions/Adjustments	17.08	-	927.22	1,050.28	80.77	35.37	63.11	-	22.01	0.69	2,196.53	2,493.39
Transfer (Refer note -c)	-	-	-	-	-	-	-	-	-	-	-	(1,923.35)
Disposals	(12.76)	-	(3.54)	(10.84)	-	(0.39)	(5.44)	-	(6.02)	-	(38.99)	-
At 31 March 2019	1,010.00	56.47	6,474.55	8,818.29	528.94	141.71	250.64	295.04	110.51	3.94	17,690.09	1,929.97
Additions/Adjustments	2.22	-	0.09	346.88	0.02	5.21	5.23	-	1.22	-	360.87	801.39
Transfer (Refer note -c)	-	-	-	-	-	-	-	-	-	-	-	(201.39)
Disposals	-	-	-	-	-	-	(0.30)	-	(0.70)	-	(1.00)	-
At 30 June 2019	1,012.22	56.47	6,474.64	9,165.17	528.96	146.92	255.57	295.04	111.03	3.94	18,049.96	2,529.97
Accumulated depreciation												
At 1 April 2018	-	14.37	532.47	2,688.19	158.58	29.99	87.69	47.14	27.73	2.16	3,588.32	-
Depreciation charge for the year	-	0.44	233.68	1,024.30	56.61	12.84	39.29	15.72	12.99	0.37	1,396.24	-
Disposals	-	-	(0.24)	(6.48)	-	(0.19)	(5.07)	-	(3.35)	-	(15.33)	-
At 31 March 2019	-	14.81	765.91	3,706.01	215.19	42.64	121.91	62.86	37.37	2.53	4,969.23	-
Depreciation charge for the quarter	-	0.11	61.72	254.25	14.48	3.62	10.60	3.91	3.27	0.10	352.06	-
Disposals	-	-	-	-	-	-	(0.28)	-	(0.41)	-	(0.69)	-
At 30 June 2019	-	14.92	827.63	3,960.26	229.67	46.26	132.23	66.77	40.23	2.63	5,320.60	-
Net Book Value												
At 30 June 2019	1,012.22	41.55	5,647.01	5,204.91	299.29	100.66	123.34	228.27	70.80	1.31	12,729.36	2,529.97
At 31 March 2019	1,010.00	41.66	5,708.64	5,112.28	313.75	99.07	128.73	232.18	73.14	1.41	12,720.86	1,929.97

Notes:

(a) Capital work in progress includes machinery in transit ₹ 159.77 million (31 March 2019 : ₹ 9.27 million.)

(b) All property, plant and equipment are held in the name of the Company, except following :

i) Title deeds of freehold land amounting to ₹ 33.05 million (31 March 2019: ₹ 33.05 million) were not in the name of the Company. The Company has initiated the process of transferring these properties in its name;

ii) Title deeds of freehold land amounting to ₹ 36.45 million (31 March 2019: ₹ 36.45 million) were not available.

iii) Title deeds of freehold land amounting to ₹ 10.48 million (31 March 2019: ₹ 10.48 million) is in dispute and is pending resolution with the government authority in Gujarat. The Company has initiated the process of transferring these properties in its name

(c) Various assets appearing in capital work in progress and capitalized for the quarter ended 30 June 2019 ₹ 201.39 million (31 March 2019 : ₹ 1923.35 million) have been shown in addition in respective class of Property, Plant and Equipments and as transfers in CWIP.

(d) There is a first pari passu charge by way of registered mortgage on specific immovable fixed assets at Halol and hypothecation of all movable fixed assets acquired on or after 1 April 2015.

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(₹ million)

4: Right of Use assets	
	Rou Assets
Reclassification on account of adoption of Ind AS 116	
At 1 April 2019	279.35
Additions during the quarter	20.78
Depreciation*	(28.04)
At 30 June 2019	272.09

(₹ million)

5: Intangible assets	
	Computer Software
Gross carrying amount (at cost)	
At 1 April 2018	142.76
Additions	26.15
Disposals	-
At 31 March 2019	168.91
Additions	0.11
Disposals	-
At 30 June 2019	169.02
Accumulated amortization	
At 1 April 2018	115.72
Amortisation	18.21
Disposals	-
At 31 March 2019	133.93
Amortisation	4.88
Disposals	-
At 30 June 2019	138.81
Net Book Value	
At 30 June 2019	30.21
At 31 March 2019	34.98

Polycab India Limited (formerly known as 'Polycab Wires Limited')

Unaudited Interim Condensed Notes to Consolidated Financial Statements for the Quarter ended 30 June 2019

(₹ million)

6: Investment in Joint Venture

	30 June 2019		31 March 2019	
	No. of Shares	Amount	No. of Shares	Amount
Investment in Equity Instruments of Joint Venture				
Ryker Base Private Limited of ₹10 each fully paid up	2,60,10,000	205.39	2,60,10,000	239.36
Add: Corporate guarantee given during the period		-		3.80
Less: Corporate Guarantee Amortised		-		(0.75)
Add: Share in current period profit/(loss)		8.22		(37.02)
		<u>213.61</u>		<u>205.39</u>
Techno Electromech Private Limited of ₹10 each fully paid up	5,40,000	40.36	5,40,000	26.60
Add: Investment in current quarter	3,50,000	35.00		-
Add: Share in current period profit		(6.03)		13.76
		<u>69.33</u>		<u>40.36</u>
Goodwill on acquisition		48.10		48.10
		<u>117.43</u>		<u>88.46</u>
Total Investments (Net)		<u>331.04</u>		<u>293.85</u>

(₹ million)

7: Inventories (Net)

	30 June 2019	31 March 2019
Raw materials	7,388.87	9,540.53
Traded goods	989.50	939.18
Work-in-progress	2,109.85	1,416.42
Finished goods	6,704.46	6,643.47
Packing materials	294.73	262.78
Scrap materials	120.43	200.64
Stores and spares	168.90	177.86
Project materials for long-term contracts	693.05	776.97
	<u>18,469.79</u>	<u>19,957.85</u>

Note:-

The above includes goods in transit of ₹ 2,950.39 million (31 March 2019 - ₹ 4,540.01 million)

Project materials for long-term contracts	4.54	52.44
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(₹ million)

8: Cash and cash equivalents (at amortised cost)

	30 June 2019	31 March 2019
Cash and cash equivalents (at amortised cost)		
Balances with banks		
In current accounts	510.70	1,294.42
Deposits with original maturity of less than 3 months	1,533.53	494.50
Earmarked balance	445.94	-
Cash in hand	2.82	1.67
	<u>2,492.99</u>	<u>1,790.59</u>

(₹ million)

9: Borrowings (Non Current)

	30 June 2019	31 March 2019
Borrowings (at amortised cost)		
External commercial borrowing (secured)		
Foreign currency loan from HSBC Bank (Mauritius) Ltd	459.45	691.71
Rupee loan (secured)		
Indian rupee loan from HDFC Bank	131.29	134.47
Indian rupee loan from Citibank N.A.	789.18	867.30
	<u>1,379.92</u>	<u>1,693.48</u>
Less: Current maturities of long-term borrowings	(805.68)	(804.23)
	<u>574.24</u>	<u>889.25</u>

Movement in borrowing schedule

	External commercial borrowing	Rupee loan	Total
Opening balance as on 01 April 2019	691.71	1,001.77	1,693.48
Less : Repayments	(232.26)	(81.30)	(313.56)
Closing balance as on 30 June 2019	<u>459.45</u>	<u>920.47</u>	<u>1,379.92</u>

The above loans are secured by way of

- i) First pari passu charge by way of registered mortgage on specific immovable fixed assets at Halol and hypothecation of all movable fixed assets acquired on or after 1 April 2015.
- ii) Second pari passu charge by way of hypothecation of all movable fixed assets appearing in balance sheet as on 31 March 2015 and on all current assets of the Group.
- iii) Charges with respect to above borrowing has been created in favor of lead banker in the consortium. No separate charge created for each of the borrowing.

Polycab India Limited (formerly known as 'Polycab Wires Limited')

Unaudited Interim Condensed Notes to Consolidated Financial Statements for the Quarter ended 30 June 2019

(₹ million)

10: Borrowings (Current)

	30 June 2019	31 March 2019
Borrowings (at amortised cost)		
Loan repayable on demand (from bank)		
Buyer's Credit (Secured)	-	516.49
Cash Credit from banks (Secured)	4.91	7.15
Short-term loan from banks (Unsecured)	535.44	436.25
Packing Credit (Unsecured)	13.58	70.82
	553.93	1,030.71

Note-

- (i) Secured borrowings from banks are secured against pari passu first charge by way of hypothecation of inventories and receivables .
- (ii) Pari passu first charge on specific properties , plant and equipments of the Company such as Daman staff quarters, Daman godown premises, factory land and building at Halol and Daman and office building at Mumbai.
- (iii) Pari passu first charge by way of hypothecation of all movable fixed assets appearing in balance sheet as on 31 March 2015.
- (iv) Pari passu second charge by way of registered mortgage on all movable assets acquired on or after 1 April 2015.
- (v) Charges with respect to above borrowing has been created in favour of lead banker in the consortium. No separate charge has been created for each of the borrowing.

11: Trade Payables

	30 June 2019	31 March 2019
Trade Payable (at amortised cost)		
Acceptances - (Refer note below (i))	9,233.38	8,032.85
Other than acceptances	5,472.73	7,168.97
	14,706.11	15,201.82

(i) Acceptances represent amount payable to banks on due date as per usance period of Letter of Credit (LCs) issued to raw material vendors under non-fund based working capital facility approved by Banks for the group. These letter of credit are discounted by the vendors with their banks and the payments are made on due date to Banks by the group along with interest payable as per terms of LCs. Non-fund limits are secured by first pari-passu charge over the present and future current assets of the Company.

(ii) For explanations on the Group's liquidity risk management processes. (Refer Note 25)

(₹ million)

12: Revenue from operations

	Quarter ended 30 June 2019	Quarter ended 30 June 2018
Revenue from contracts with customers		
Sale of products		
Finished goods	16,730.79	15,413.70
Traded goods	1,282.70	796.15
Revenue from construction contracts	963.11	364.06
	<u>18,976.60</u>	<u>16,573.91</u>
Other operating revenue		
Scrap sales	341.72	244.17
Total revenue from contracts with customers	<u>19,318.32</u>	<u>16,818.08</u>
Export incentives	11.51	8.38
Total Revenue from operations	<u>19,329.83</u>	<u>16,826.46</u>
i) Disaggregated revenue information	Quarter ended	Quarter ended
Type of Goods or Services	30 June 2019	30 June 2018
Wires & Cables	15,839.20	14,925.62
Fast Moving Electrical Goods (FMEG)	2,400.87	1,481.00
Revenue from construction contracts	963.11	364.06
Others	115.14	47.40
Total revenue from contracts with customers	<u>19,318.32</u>	<u>16,818.08</u>
India	18,849.32	16,371.50
Outside India	469.00	446.58
Total revenue from contracts with customers	<u>19,318.32</u>	<u>16,818.08</u>
Timing of revenue recognition		
Goods transferred at a point in time	18,304.98	16,454.02
Goods and Services transferred over a period of time	1,013.34	364.06
Total revenue from contracts with customers	<u>19,318.32</u>	<u>16,818.08</u>
Reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information		
Total revenue from contracts with customers	19,318.32	16,818.08
Export incentives	11.51	8.38
Other income excluding finance income	400.58	223.11
Total income as per Segment (Refer Note 22)	<u>19,730.41</u>	<u>17,049.57</u>

(₹ million)

13: Other income

	Quarter ended 30 June 2019	Quarter ended 30 June 2018
Interest income on		
Bank deposits	51.53	0.38
Others	15.10	7.46
Sundry balances written back	4.13	21.60
Miscellaneous income	12.65	7.75
Gain on sale of property, plant and equipment	1.17	-
Government Grant (Advance license & EPCG)	183.41	25.70
Exchange differences (net)	43.99	85.55
Gain/loss on Redemption of investment	49.52	-
Fair Valuation MTM of investment	2.27	-
Fair valuation gain on financial asset*	155.23	82.51
	<u>519.00</u>	<u>230.95</u>

* Gain on fair valuation of financial instruments at fair value through profit or loss relates to foreign exchange fluctuation on forward contracts that did not qualify for hedge accounting and on embedded derivatives, which have been separated. No ineffectiveness has been recognised on foreign exchange and interest rate hedges.

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(₹ million)

14: Cost of materials consumed

	Quarter ended 30 June 2019	Quarter ended 30 June 2018
Copper	7,415.75	6,829.23
Aluminium	2,275.95	2,461.56
Steel	626.72	592.40
PVC Compound/HDPE/LDPE/XLPE/Resin	1,719.46	1,737.20
Packing Materials	205.97	160.35
Others	969.86	529.60
	13,213.71	12,310.34

(₹ million)

15: Purchases of traded goods

	Quarter ended 30 June 2019	Quarter ended 30 June 2018
Electrical wiring accessories	867.47	49.30
Electrical appliances	70.51	590.00
Others	79.48	13.49
	1,017.46	652.79

(₹ million)

16: Project bought outs and other cost

	Quarter ended 30 June 2019	Quarter ended 30 June 2018
Project bought outs	587.19	249.13
Subcontracting expense	184.25	86.57
	771.44	335.70

(₹ million)

17: Finance cost

	Quarter ended 30 June 2019	Quarter ended 30 June 2018
Interest	80.28	149.03
Others	42.93	222.65
	123.21	371.68

(₹ million)

18: Other expenses

	Quarter ended 30 June 2019	Quarter ended 30 June 2018
Consumption of stores and spares	134.10	114.39
Sub-contracting expenses	376.58	209.37
Power and fuel	273.26	217.27
Rent	15.30	36.64
Repairs and maintenance		
Advertising and sales promotion	385.63	415.41
Brokerage and commission	52.20	77.96
Travelling and conveyance	69.93	54.32
Legal and professional fees	106.29	50.00
Freight & forwarding expenses	432.94	319.94
Impairment allowance for trade receivable considered doubtful	71.51	78.71
Miscellaneous expenses	161.09	166.97
	2,078.83	1,740.98

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(₹ million)

19: Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the quarter attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

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

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

		Quarter ended 30 June 2019	Quarter ended 30 June 2018
Profit attributable to equity holders for basic earnings:	(A)	1,345.12	767.80
Weighted average number of equity shares for basic EPS	(B)	14,74,19,520	14,12,05,838
Effect of dilution:			
Share options	(C)	1,22,352	-
Weighted average number of Equity shares adjusted for the effect of dilution	(D = B+C)	14,75,41,873	14,12,05,838
Basic earnings per share (₹)	(A/B)	9.12	5.44
Diluted earnings per share (₹)	(A/D)	9.12	5.44

Employee Stock Option Plan 2018

Pursuant to the resolutions passed by our Board on August 30, 2018 and our Shareholders on August 30, 2018, the Parent company approved the Employee Stock Option Plan 2018 for issue of options to eligible employees which may result in issue of Equity Shares of not more than 35,30,000 Equity Shares. The parent company reserves the right to increase, subject to the approval of the shareholders, or reduce such numbers of shares as it deems fit

The exercise of the vested option shall be determined in accordance with the notified scheme under the plan.

Employee Stock Option Performance Scheme 2018 and Employee Stock Option Privilege Scheme 2018

The company also approved Employee Stock Option Performance Scheme 2018 and Employee Stock Option Privilege Scheme 2018 under which the maximum number of options granted to any grantee under "Performance Scheme" together with options granted in any other scheme shall not exceed 1 percent of the total share capital at the time of grant.

(₹ million)

20: Commitments and contingencies

	30 June 2019	31 March 2019
(A) Capital and other commitments		
Estimated amounts of contracts remaining to be executed on account of capital commitments and not provided for (net of advances)	2,001.57	1,880.28
(B) Contingent liabilities (to the extent not provided for)		
a) Guarantees given		
(i) Performance Bank Guarantee Given	6,650.43	6,705.21
(ii) Other Guarantee Given	6,294.00	6,244.96
b) Other matters for which the Group is contingently liable		
	Period to which relates	
(i) Taxation matters		
(a) Disputed liability in respect of sales tax /VAT demand & pending sales tax/VAT forms	2007-08 to 2016-17	364.76
(b) Disputed liability in respect of excise duty demand	2007-08 to 2014-15	45.55
(c) Disputed liability in respect of custom duty demand	2010-11 and 2011-12	21.67
(ii) Claims made against the Group, not acknowledged as debts	2018-19	634.21
There are numerous interpretative issues relating to the Supreme Court (SC) judgement on PF dated 28th February, 2019. The parent company will update its provision, on receiving further clarity on the subject		634.21

In respect of the items above, future cash outflows in respect of contingent liabilities are determinable only on receipt of judgements/decisions pending at various forums/authority. The Group doesn't expect the outcome of matters stated above to have a material adverse effect on the Group's financial conditions, result of operations or cash flows.

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21: Related party disclosures:

Related party transactions

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial period:

Related parties where control exists	Nature of Relationship
Ryker Base Private Limited (Ryker)	Joint Venture
Techno Electromech Private Limited (TEPL)	Joint Venture

Enterprises owned or significantly influenced by key managerial personnel

AK Enterprises (A.K)
Dowells Elektro Werke (DEW)
Dowells Electricals (DE)
D J Electricals Private Limited (DJEPL)
Tirupati Tradelinks Private Limited (TTPL)

(A) Transactions with subsidiaries/fellow subsidiaries/enterprises significantly influenced

(₹ Million)

Particulars	DEW		DE		DJEPL		TTPL		A.K		TEPL		Ryker	
	Jun-19	Jun-18	Jun-19	Jun-18	Jun-19	Jun-18	Jun-19	Jun-18	Jun-19	Jun-18	Jun-19	Jun-18	Jun-19	Jun-18
Sales of Goods	-	-	-	-	-	-	-	-	-	-	0.26	3.50	2.48	20.60
Purchase of Goods	0.12	-	-	1.08	-	1.04	37.59	11.24	-	-	117.86	196.40	-	-
Job work charges	-	-	-	-	-	-	-	-	-	-	-	-	125.04	-
Rent paid	-	-	-	-	-	-	-	-	7.28	7.30	-	-	-	-
Sale of Machinery	-	-	-	-	-	-	-	-	-	-	40.86	-	-	-
Receipt of Services	-	-	-	-	-	-	0.56	0.28	-	-	-	-	-	-
Investment in subsidiary	-	-	-	-	-	-	-	-	-	-	35.00	-	-	-
Rent received	-	-	-	-	-	-	-	-	-	-	-	-	0.79	-
Interest received	-	-	-	-	-	-	-	-	-	-	3.45	4.20	0.11	-
Purchase of Fixed Assets	0.16	-	-	0.12	-	4.26	-	-	-	-	-	-	-	-
Reimbursement of Expenses	0.01	-	-	0.01	-	-	-	-	-	-	-	-	-	-

Particulars	DEW		DE		DJEPL		TTPL		A.K		TEPL		Ryker	
	Jun-19	Mar-19	Jun-19	Mar-19	Jun-19	Mar-19	Jun-19	Mar-19	Jun-19	Mar-19	Jun-19	Mar-19	Jun-19	Mar-19
Balances at period end														
Loans	-	-	-	-	-	-	-	-	-	-	115.11	115.11	-	-
Receivables	-	-	-	-	-	-	-	-	-	-	67.71	29.28	3.50	17.38
Interest accrued	-	-	-	-	-	-	-	-	-	-	6.27	3.17	-	-
Security Deposits	-	-	-	-	-	-	-	-	6.17	6.17	-	-	-	-
Trade Payable	1.30	1.30	0.02	0.32	17.12	23.96	57.50	52.41	-	-	42.14	22.62	44.56	51.44

Note :- Company has provided a shortfall undertaking for credit facility availed by the Ryker Base Private Limited amounting to ₹ 1,137.15 Million (31 March 2019 ₹ 1,141.33 Million). The fair value of corporate guarantee ₹ 13.35 Million (31 March 2019 ₹ 13.35 Million) has been included in carrying cost of investment.

21: Related party disclosures:

Key management personnel

Mr. Inder T. Jaisinghani	Chairman and Managing Director
Mr. R. Ramakrishnan	Chief Executive *(upto 23 May 2018)
Mr. Ramesh T. Jaisinghani	Whole time Director
Mr. Ajay T. Jaisinghani	Whole time Director
Mr. Shyam Lal Bajaj	Chief Financial officer (w.e.f. 25 September 2018)and Whole time Director - Finance (w.e.f. 15 December 2016)
Mr. Radhey Shyam Sharma	Independent Director (w.e.f. 20 September 2018)
Mr. Tilokchand Punamchand Ostwal	Independent Director (w.e.f. 20 September 2018)
Mr. Pradeep Poddar	Independent Director (w.e.f. 20 September 2018)
Ms. Hiroo Mirchandani	Independent Director (w.e.f. 20 September 2018)
Mr. Subramaniam Sai Narayana	Company Secretary
Mr. Jayantibhai S. Patel (JSP)	Managing Director (Dowells Cable Accessories Private Limited)
Ms. Divyaprabha J. Patel (DJP)	Director (Dowells Cable Accessories Private Limited)
Mr. Suresh Kumar Jajodia	Whole time Director (Tirupati Reels Private Limited)
Mr. Pratik Suresh Jajodia	Whole time Director (Tirupati Reels Private Limited)
Mr. Rishikesh Suresh Rajurkar	Director (Tirupati Reels Private Limited)

* Mr. R. Ramakrishnan was Key Management personnel and Joint Managing Director of the Company till 23 May 2018.

Relatives of Key management personnel

Mr. Bharat A. Jaisinghani	Son of Mr. Ajay T. Jaisinghani
Mr. Girdhari T. Jaisinghani	Brother of Mr. Inder T. Jaisinghani
Mr. Kunal I. Jaisinghani	Son of Mr. Inder T. Jaisinghani
Mr. Nikhil R. Jaisinghani	Son of Mr. Ramesh T. Jaisinghani
Ms. Anita Devi Jajodia	Wife of Mr. Suresh Kumar Jajodia
Mr. Nikhil Jajodia	Son of Mr. Suresh Kumar Jajodia

(B) Remuneration paid

(₹ Million)

Name of the director/relative	Quarter ended 30 June 2019	Outstanding at 30 June 2019	Quarter ended 30 June 2018	Outstanding at the year ended 31 March 2019
Mr. Girdhari T. Jaisinghani	2.35	3.34	2.15	2.17
Mr. Bharat A. Jaisinghani	3.31	4.41	2.68	2.58
Mr. Nikhil R. Jaisinghani	3.31	4.41	2.68	2.58
Mr. Kunal Jaisinghani	0.60	0.39	0.31	-
Mr. Nikhil Jajodia	0.24	-	0.24	-

(C) Rent paid

Name of the director/relative	Quarter ended 30 June 2019	Quarter ended 30 June 2018
Ms. Anita Devi Jajodia	0.11	0.11
Mr. Nikhil Jajodia	0.06	0.06
Mr. Pratik Suresh Jajodia	0.03	0.03
Mr. Suresh Kumar Jajodia	0.06	0.06

(D) Expenses reimbursed

Name of the director/relative	Quarter ended 30 June 2019	Quarter ended 30 June 2018
Mr. Jayantibhai S. Patel	0.00	0.79
Mr. Prateek Suresh Jajodia	0.19	0.19
Mr. Nikhil Jajodia	1.20	0.61

(E) Repayment of expenses reimbursed

Name of the director/relative	Quarter ended 30 June 2019	Quarter ended 30 June 2018
Mr. Jayantibhai S. Patel	-	0.49

(F) Share based payments to KMP*

Particulars	30 June 2019	30 June 2018
Mr. Shyam Lal Bajaj	2.56	-
Mr. Subramaniam Sai Narayana	0.32	-

*Represents expense by way of share based payments attributable to directors and KMP

21: Related party disclosures:

(G) Remuneration of key management personnel (KMP)

Remuneration paid for the quarter ended and outstanding as on 30 June 2019 to key managerial personnels

(₹ Million)

	30 June 2019		30 June 2018	31 March 2019
	For the Quarter ended	Outstanding at the quarter end	For the Quarter ended	Outstanding at the year end
Mr. Inder T. Jaisinghani	22.17	65.85	15.68	49.65
Mr. Ramesh T. Jaisinghani	6.94	9.92	6.27	6.52
Mr. Ajay T. Jaisinghani	6.94	9.92	6.27	6.52
Mr. R. Ramakrishnan*	-	1.27	3.58	1.27
Mr. Shyam Lal Bajaj	7.04	9.35	5.80	5.60
Mr. Subramaniam Sai Narayana	2.09	0.75	0.78	0.36
Mr Jayantibhai S. Patel	2.85	1.90	-	0.85
Mr. Pratik Suresh Jajodia	0.36	-	0.36	-
Ms. Hiroo Mirchandani	0.56	1.38	-	1.18
Mr. Pradeep Poddar	0.56	1.38	-	1.27
Mr. R S Sharma	0.64	1.38	-	1.35
Mr. T P Ostwal	0.64	1.38	-	1.35
T.P. Ostwal & Associates LLP (excluding GST)	0.40	0.40	-	-
Total	51.19	104.88	38.74	75.92

* Mr. R. Ramakrishnan was Key Management personnel and Joint Managing Director of the Parent Company till 23 May 2018, hence remuneration disclosed till he continued as KMP.

-As the liabilities for gratuity and leave encashment are provided on actuarial basis for the Group as a whole, the amounts pertaining to the directors are not included above.

(I) Payables to Related parties

(₹ Million)

	30 June 2019	31 March 2019
Mr Jayantibhai S. Patel	0.97	1.27
Mr. Nikhil Jajodia	0.05	0.05
Mr. Suresh Kumar Jajodia	0.02	-
Ms. Anita Devi Jajodia	0.03	-
Mr Pratik Suresh Jajodia	0.59	0.29

(J) Receivable from Related parties

(₹ Million)

	30 June 2019	31 March 2019
Mr Jayantibhai S. Patel	50.40	50.40

22: Segment information

Basis for segmentation

The Group is primarily engaged in the business of manufacture and sale of electric wires and cables. The Group has identified business segments as primary segments, namely electric wires and cables, Fast moving electrical goods & others business. All operating segments' operating results are reviewed regularly by the Group's senior management to make decisions about resources to be allocated to the segments and assess their performance.

The Group has three reportable segments, as described below, which are the Group's strategic business units. These business units offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the business units, the Group's chairman reviews internal management reports on periodical basis.

The following summary describes the operations in each of the Group's reportable segments:

Reportable segments	Operations
Wires & Cables	- Manufacture and sale of electric wires and cables.
Fast moving electrical goods (FMEG)	- Electric consumer durable business comprises of business covering electric wiring accessories and electric appliances.
Others	- Other business comprises EPC business which includes design, engineering, supply, execution and commissioning of power distribution & rural electrification projects. It also comprises manufacture of cable accessories, equipments, wooden pallets, outer Laggings and cable drums and share of interests in the joint operation undertaken.

Information about reportable segments

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit (before tax), as included in the internal management reports that are reviewed by the Group's chairman. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

(A) Primary segment reporting (by business segment)

Particulars	30 June 2019					30 June 2018				
	Wires & Cables	FMEG	Others	Eliminations	Total	Wires & Cables	FMEG	Others	Eliminations	Total
Income										
External sales	16,104.03	2,400.87	1,225.51	-	19,730.41	15,050.66	1,481.00	517.91	-	17,049.57
Inter segment revenue	270.85	-	-	(270.85)	-	135.90	-	-	(135.90)	-
Total income	16,374.88	2,400.87	1,225.51	(270.85)	19,730.41	15,186.56	1,481.00	517.91	(135.90)	17,049.57
Segment Results										
Segment/Operating results	1,861.87	87.74	118.85	-	2,068.46	1,462.38	137.71	(0.25)	-	1,599.84
Un-allocated items:										
Financial income	-	-	-	-	118.42	-	-	-	-	7.84
Finance costs	-	-	-	-	123.21	-	-	-	-	371.68
Profit before tax					2,063.67					1,236.00
Provision for taxation	-	-	-	-	713.13	-	-	-	-	431.48
Profit for the period	-	-	-	-	1,350.54	-	-	-	-	804.52
Share of profit/(loss) of joint venture (Net of tax)										
Profit after tax after share of joint of venture	-	(6.03)	8.22	-	2.19	-	1.55	(36.05)	-	(34.50)
Depreciation & Amortisation expenses	356.52	21.89	6.58	-	384.99	329.82	18.70	3.03	-	351.55
Total cost incurred during the period to acquire segment assets (Net of disposal)	1,060.92	12.63	5.35	-	1,078.90	528.40	237.50	31.48	-	797.38

Particulars	30 June 2019					31 March 2019				
	Wires & Cables	FMEG	Others	Eliminations	Total	Wires & Cables	FMEG	Others	Eliminations	Total
Other Information										
Segment assets	43,314.61	5,341.49	5,875.62	-	54,531.72	41,044.74	4,993.78	6,689.52	-	52,728.04
Un-allocated assets	-	-	-	-	4,946.44	-	-	-	-	3,261.06
Investment in Joint venture	-	-	-	-	331.04	-	-	-	-	293.85
Total assets					59,809.20					56,282.95
Segment liabilities	16,063.86	1,209.75	4,581.55	-	21,855.16	16,595.20	1,002.51	5,364.81	-	22,962.52
Un-allocated liabilities & provisions	-	-	-	-	4,563.61	-	-	-	-	4,766.63
Total liabilities					26,418.77					27,729.15

(B) Secondary segment information

Secondary segmental reporting is based on the geographical location of customer. The geographical segments have been disclosed based on revenues within India (sales to customers in India) and revenues outside India (sales to customer located outside India)

Particulars	30 June 2019			30 June 2018			31 March 2019		
	Within India	Outside India	Total	Within India	Outside India	Total	Within India	Outside India	Total
Segment revenue	19,261.41	469.00	19,730.41	16,602.99	446.58	17,049.57	77,882.94	2,482.48	80,365.42
Segment assets	59,567.22	241.98	59,809.20	45,007.89	459.95	45,467.84	55,853.70	429.25	56,282.95
Capital expenditure incurred	1,078.90	-	1,078.90	797.38	-	797.38	2,813.53	-	2,813.53

23: Fair values measurements

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

	Carrying value		Fair value	
	30 June 2019	31 March 2019	30 June 2019	31 March 2019
(₹ Million)				
Financial assets at fair value through profit or loss account (FVTPL)				
Units of mutual funds	4,062.28	-	4,062.28	-
Non-Current financial assets at amortised cost				
Trade receivables	1,528.54	1,351.27	1,528.54	1,351.27
Other financial assets	88.93	50.88	88.93	50.88
Embedded Derivative	248.31	-	248.31	-
Derivatives not designated as hedges				
Interest rate and cross currency swap	4.41	7.40	4.41	7.40
Total	5,932.47	1,409.55	5,932.47	1,409.55
Non-Current financial liabilities				
Borrowings - ECB from HSBC	459.45	691.71	459.45	691.71
Borrowings - Term loan from Citi bank	789.18	867.30	789.18	867.30
Indian rupee loan from HDFC Bank	131.29	134.47	131.29	134.47
Embedded Derivative	-	65.53	-	65.53
Derivatives not designated as hedges				
Foreign exchange forward contracts	45.46	172.48	45.46	172.48
Fair value of written put options	48.90	48.90	48.90	48.90
Total	1,474.28	1,980.39	1,474.28	1,980.39

Interest rate swaps, foreign exchange forward contracts and embedded commodity derivative are valued using valuation techniques, which employ the use of market observable inputs(closing rates of foreign currency and commodities).

Embedded foreign currency and commodity derivatives are measured similarly to the foreign currency forward contracts and commodity derivatives. The embedded derivatives are commodity and foreign currency forward contracts which are separated from purchase contracts .

The management assessed that cash and cash equivalents, trade receivables, trade payables, short-term borrowings, loans to related party, loans to employees, short term security deposit and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values.

Fixed-rate and variable-rate loans are evaluated by the Company based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.

The fair values of the Company's interest-bearing borrowings and loans are determined by using DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The non- performance risk as at 30 June 2019 was assessed to be insignificant.

The fair values of the mutual funds are based on NAV at the reporting date.

The fair value of interest rate swaps are based on MTM bank rates as on reporting date.

The fair value of put option is determined using Monte Carlo Simulation which assumes a Geometric Brownian Motion for the modelling equity value.

The group enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Foreign exchange forward contracts are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves . All derivative contracts are fully cash collateralised, thereby eliminating both counterparty and the Company's own non-performance risk. Mark-to-market value of derivative asset positions is net of a credit valuation adjustment attributable to derivative counterparty default risk. The changes in counterparty credit risk had no material effect on the hedge effectiveness assessment for derivatives designated in hedge relationships and other financial instruments recognised at fair value.

24: Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 30 June 2019:

(₹ Million)

	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value:					
Units of mutual funds	30 June 2019	4,062.28	4,062.28	-	-
Interest rate and cross currency swap	30 June 2019	4.41	-	4.41	-
Liabilities measured at fair value:					
Derivative financial liabilities :					
Foreign exchange forward contracts	30 June 2019	45.46	-	45.46	-
Fair value of written put options	30 June 2019	48.90	-	-	48.90

Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 30 June 2019:

(₹ Million)

	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value:					
Interest rate and cross currency swap	31 March 2019	7.40	-	7.40	-
Liabilities measured at fair value:					
Derivative financial liabilities:					
Foreign exchange forward contracts	31 March 2019	172.48	-	172.48	-
Fair value of written put options	31 March 2019	48.90	-	-	48.90

25: Financial risk management objectives and policies

The Group's principal financial liabilities, other than derivatives, comprise loans and borrowings and trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations and to provide guarantees to support its operations. The Group's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Group also holds FVTPL investments and enters into derivative transactions.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's senior management' focus is to foresee the unpredictability and minimize potential adverse effects on the Group's financial performance. The Group's overall risk management procedures to minimise the potential adverse effects of financial market on the Group's performance are as follows:

(A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTPL investments and derivative financial instruments.

(i) Interest rate risk

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

The Group manages its interest rate risk by having a fixed and variable rate loans and borrowings. The Group's approach is to keep its majority of borrowings at fixed rates of interest for long term funding. The Group also enters into interest rate swaps for long term foreign currency borrowings, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount. At 30 June 2019, after taking into account the effect of interest rate swaps, approximately 66% of the Group's borrowings are at a fixed rate of interest (31 March 2019: 74%)

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the impact of hedge accounting. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

(₹ million)			
	Exposure to interest rate risk (Principal amount of loan)	Increase/decrease in basis points	Effect on profit before tax
30 June 2019	654.51		
Increase		+100	(6.55)
Decrease		-100	6.55
31 March 2019	717.68		
Increase		+100	(7.18)
Decrease		-100	7.18

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency) and the Group's borrowings in foreign currency.

To some extent the Group manages its foreign currency risk by hedging transactions.

Particulars of unhedged foreign currency exposures as at the reporting date:

Currency	30 June 2019		31 March 2019	
	Foreign currency	(₹Million)	Foreign currency	(₹Million)
USD	(111.10)	(7,656.84)	(88.78)	(6,141.26)
Euro	(1.35)	(105.64)	(0.39)	(30.46)
GBP	0.03	2.79	0.58	52.38
CHF	(0.01)	(0.65)	(0.01)	(0.74)
AUD	0.00	0.16	0.24	12.07

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD, Euro, GBP , CHF and AUD exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives and embedded derivatives. The Group's exposure to foreign currency changes for all other currencies is not material. Sensitivity due to unhedged Foreign Exchange Exposures is as follows:

Impact on profit before tax and equity

(₹ million)

Currency	30 June 2019		31 March 2019	
	+2%	-2%	+2%	-2%
USD	(153.14)	153.14	(122.83)	122.83
Euro	(2.11)	2.11	(0.61)	0.61
GBP	0.06	(0.06)	1.05	(1.05)
CHF	(0.01)	0.01	(0.01)	0.01
AUD	0.00	(0.00)	0.24	(0.24)

25: Financial risk management objectives and policies

(iii) Commodity price risk

The Group's exposure to price risk of copper and aluminium also arises from trade payables of the Group where the prices are linked to LME. Payment is therefore sensitive to changes in copper and aluminium prices. The trade payables are classified in the balance sheet as fair value through profit or loss. The option to fix prices are at future unfixed LME prices to hedge against potential losses in value of inventory of copper and aluminium held by the Group. With effect from 1 April 2016, the Group applies fair value hedge for the copper and aluminium purchased whose price is to be fixed in future. Therefore, there is no impact of the fluctuation in the price of the copper and aluminium on the Group's profit for the period ended 30 June 2019 to the extent of inventory on hand.

Sensitivity analysis for open contracts for the year ended 30 June 2019 and 31 March 2019 are as follows:

Exposure of Group in respective commodities				
	30 June 2019		31 March 2019	
	Exposure in Metric Tonne	Exposure in ₹ Million	Exposure in Metric Tonne	Exposure in ₹ Million
Copper	1,488.12	633.13	16.00	7.64
Aluminium	9,313.28	1,078.65	6,750.66	1,001.50

The following table shows the effect of price changes in commodities:

Impact on profit before tax and equity

	30 June 2019		31 March 2019	
	+2%	-2%	+2%	-2%
Copper	12.66	(12.66)	0.15	(0.15)
Aluminium	21.57	(21.57)	20.03	(20.03)

(B) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

(i) Trade receivables

Credit risk has always been managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Group grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Group uses expected credit loss model to assess the impairment loss or gain. The Group has applied Expected Credit Loss (ECL) model for measurement and recognition of impairment losses on trade receivables. ECL has been computed as a percentage of revenue on the basis of Group's historical data of delay in collection of amounts due from customers and default by the customers alongwith management's estimates. The group has channel finance arrangements with banks for providing credit to its dealers. Evaluation is made as per the terms of the contracts i.e. if the group does not retain any risk and rewards or control over the financial assets, then the entity derecognises such assets upon transfer of financial assets under such arrangements with the banks.

(C) Liquidity risk

The Group's principle sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Group believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived. The Group closely monitors its liquidity position and maintains adequate source of funding.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

(₹ million)			
	< 1 year	> equal to 1 year	Total
Quarter ended 30 June 2019			
Borrowings	553.93	574.24	1,128.17
Other financial liabilities	2,114.89	194.36	2,309.25
Trade and other payables	14,706.11	-	14,706.11
	17,374.93	768.60	18,143.53

(₹ million)			
	< 1 year	> equal to 1 year	Total
Year ended 31 March 2019			
Borrowings	1,030.71	889.25	1,919.96
Other financial liabilities	1,813.64	-	1,813.64
Trade and other payables	15,201.82	-	15,201.82
	18,046.17	889.25	18,935.42

Polycab India Limited (formerly known as 'Polycab Wires Limited')

Unaudited Interim Condensed Notes to Consolidated Financial Statements for the Quarter ended 30 June 2019

26: Hedging activity and derivatives

Fair value hedge of copper and aluminium price risk in inventory

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's senior management' focus is to foresee the unpredictability and minimize potential adverse effects on the Group's financial performance. The Group's overall risk management procedures to minimise the potential adverse effects of financial market on the Group's performance are as follows:

The Group enters into contracts to purchase copper and aluminium wherein the Group has the option to fix the purchase price based on LME price of copper and aluminium during a stipulated time period. Accordingly, these contracts are considered to have an embedded derivative that is required to be separated. Such feature is kept to hedge against exposure in the value of inventory of copper and aluminium due to volatility in copper and aluminium prices. From 1 April 2016, the Group designates the embedded derivative in the payable for such purchases as the hedging instrument in fair value hedging of inventory. The Group designates only the spot-to-spot movement of the copper and aluminium inventory as the hedged risk. The carrying value of inventory is accordingly adjusted for the effective portion of change in fair value of hedging instrument. Hedge accounting is discontinued when the hedging instrument is settled, or when it no longer qualifies for hedge accounting or when the hedged item is sold.

To test the hedge effectiveness between embedded derivatives and LME prices of Copper and Aluminium, the Group uses the said prices during a stipulated time period and compares the fair value of embedded derivative against the changes in fair value of LME price of copper and aluminium attributable to the hedged risk.

The Group has established a hedge ratio of 1:1 for the hedging relationships as the underlying embedded derivative is identical to the LME price of Copper and Aluminium. The hedge ineffectiveness can arise from the difference in timing of embedded derivative and LME strike price of Copper and Aluminium.

Disclosure of effects of fair value hedge accounting on financial position:

Hedged item - Changes in fair value of inventory attributable to change in copper and aluminium prices.

Hedging instrument - Changes in fair value of the embedded derivative of copper and aluminium trade payables, as described above.

(₹ million)

Commodity price risk	Carrying amount of hedged item		Carrying amount of hedging instrument		Maturity date	Hedge Ratio	Balance sheet classification	Effective portion of Hedge	Ineffective portion of Hedge
	Asset	Liabilities	Asset	Liabilities					
Hedged item - inventory of Copper and aluminium	(252.93)	-	-	-	Range within 3 months	1:1	Inventory	(252.93)	4.62
Hedging instrument: - Embedded derivative in trade payables of Copper and aluminium	-	-	-	(248.31)	Range within 3 months	1:1	Trade Payable		

27 : Investment and loan to subsidiary

As at 30 June 2019, the Parent Company has investment of Euro 150,000 (₹ 10.89 million) and loan of Euro 388,276.11 (₹ 30.42 million) in Polycab Italy SRL (PWISRL), a wholly owned subsidiary company situated in Italy.

PWISRL in its financial statement of earlier years had appropriated an amount of Euro 40,000 (₹ 2.90 million) from Share Capital and Euro 438,276.11 (₹ 34.34 million) from loan given by the Company, to accumulated losses of previous years and Capital Reduction Reserve to comply with the applicable Italian accounting requirements in an earlier year.

The Parent Company had filed a compounding application with Reserve Bank of India (RBI) in response to which RBI directed our Parent Company to comply with alternatives. Currently, the company is in the process of evaluating the alternatives directed by RBI and will be responding in due course. Considering the status, no adjustment is made in the financial statements for the quarter ended 30 June 2019.

28 : Others

Figures in balance sheet relating to previous years have been regrouped wherever necessary to make them comparable with the current quarters figures. Figures representing ₹ 0.00 Million is below ₹ 5,000.

As per our report of even date
For B S R & Co. LLP
 Chartered Accountants
 ICAI Firm Registration No. 101248W/W-100022

Bhavesh Dhupelia
 Partner
 Membership No. 042070

Place: Mumbai
 Date: 26 July 2019

For and on behalf of the Board of Directors of
Polycab India Limited (Formerly known as 'Polycab Wires Limited')
 CIN : U31300DL1996PLC266483

Inder T. Jaisinghani
 Chairman & Managing Direct
 DIN : 00309108

Ajay T. Jaisinghani
 Whole Time Director
 DIN : 00276588

S. L. Bajaj
 CFO & Whole Time Director
 DIN : 02734730

S S Narayana
 Company Secretary
 Membership No. F5221

Place: Panchmahal, Gujarat
 Date: 26 July 2019