

DIRECTORS' REPORT

To,
The Members,

Your Directors are presenting their Fourth Annual Report of the Company and the accounts for the Financial Year ended March 31, 2017.

1. FINANCIAL RESULTS

The Company's financial performance for the year under review along with previous year figures is given hereunder:

(Amount in Rs.)

Particulars	2016-17	2015-16
Revenue from Operations	5,22,37,473	1,24,42,782
<i>Other Income</i>	---	--
<i>Profit before Depreciation and Taxation</i>	43,24,503	1,51,998
Depreciation	97,661	1,06,666
Provision for Taxation :		
(i) Current Income Tax	8,25,572	6,082
(ii) Deferred Tax	4,32,880	(740)
<i>Profit after Income Tax</i>	30,66,051	1,46,656

2. OPERATIONS

The Company has reported total income of Rs.5,22,37,473/- for the current year as compared to Rs.1,24,42,782 in the previous year. The Net Profit for the year under review amounted to Rs.3,066,051/- in the current year as compared to Rs.1,46,656/- in the previous year.

3. SHARE CAPITAL & RESERVES

Authorised Share & Paid-up Capital:

The Authorised share capital of the company is Rs. 6,00,00,000 (Six Crore Only) Comprised of 6,00,000 (Six Lac) Equity Share Capital of Rs.10 (Ten Only) each. The Paid-up Capital Of the Company is Rs. 1,28,50,000 (One Crore Twenty Eight Lac and Fifty Thousand only) Comprised of 12,85,000 (Twelve Lac and Eighty Five Thousand only) Equity Share Capital of RS.10/-(Ten Only) each.

No Bonus Shares were issued during the year under review.

The Company does not have any ESOP scheme for its employees/Directors.



Reserves:

The total Reserves position as on 31.3.2017 stood at Rs. 33,31,914/- against Rs.2,65,863/- in the previous year.

4. DIVIDEND

No Dividend was declared for the current financial year.

5. MATERIAL CHANGES BETWEEN THE DATE OF THE BOARD REPORT AND END OF FINANCIAL YEAR.

1. Authorised Share Capital of the Company is increased on Extra-original General Meeting held on 15th April, 2017 by passing Special Resolution of Members from Rs. 25,00,000/- (Rupees Twenty Five Lakh only) divided into 2,50,000 (Two Lakh Fifty Thousand only) Equity Shares of Rs. 10/- (Rupees Ten only) each to Rs. 6,00,00,000,- (Rupees Six Crore Only) divided into 60,00,000(Sixty Lakh Only) equity shares of Rs. 10/- (Rupees Ten only).
2. Company offered, issued and allotted 12,00,000 (Twelve Lakh) Equity Shares of Rs. 10/- (Rupees Ten) each for cash and at a premium of Rs.40/- on preferential basis through private placement.

6. DIRECTORS AND KEY MANAGERIAL PERSONNEL, APPOINTMENT AND RESIGNATION

In accordance of the provision of section 152 of the Companies Act, 2013, Mr. Sudhir Ostwal retires by rotation at the ensuing Annual General Meeting and being eligible in terms of section 164 of the Act and offer himself for re-appointment.

During the year under the review Mr. Piyush Kansal and Mr. Vignesh Thiruvika is appointed as an Additional Director of the Company on Board meeting held on 16th May, 2017.

Mrs. Shalini Jain has tendered the resignation from the Board of Directors of the Company dated 16th May, 2017 and further Mrs. Shalini Jain was appointed as Additional Non Executive and Non Independent Director of the Company w.e.f 17th May , 2017 and to regularize her as an Director of the Company in the ensuing Annual General Meeting.

Further Mr. Vignesh Thiruvika has resigned from the post of directorship of the company w.e.f. 17th May, 2017.

7. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

During the year under review there has been no such significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

8. DIRECTORS

Mr. Sudhir Ostwal and Mrs. Shalini Jain are the Directors of the Company. There is no change in the Directors of the Company during the financial year under review.



9. CHANGE IN THE NATURE OF BUSINESS

There is no change in the nature of the business of the company

10. NUMBER OF MEETING OF THE BOARD:

During the year 2016-17, the Board of Directors met Six times viz. on 16th June, 2016; 22nd August, 2016; 15th December, 2016; 15th March, 2017, 23rd March, 2017 and 29th March, 2017.

SR. NO.	DATE OF BOARD MEETINGS	NAME OF THE DIRECTORS	
		SUDHIR OSTWAL	SHALINI JAIN
1.	16/06/2016	✓	✓
2.	22/08/2016	✓	✓
3.	15/12/2016	✓	✓
4.	15/03/2017	✓	✓
5.	23/03/2017	✓	✓
6.	29/03/2017	✓	✓

11. AUDITORS

M/S Loonia & Associates, Chartered Accountants, Ahmedabad, was appointed as the Statutory Auditors of the Company to hold office from 29th March, 2017 at Board Meeting till the conclusion of the ensuing Annual General Meeting at a remunerations to be decided by the Board of Directors/Audit Committee in consultation with the Auditors, be and is hereby ratified.

12. AUDITORS' REPORT

The explanations /comments made by the Board relating to the qualifications, reservations or adverse remarks made by the Auditors in their respective report is furnished Annexure II and are attached to this report.

13. EXTRACT OF ANNUAL RETURN

In accordance with section 134(3)(a) of the Companies Act, 2013, an extract of Annual Return in the prescribed format is appended to this Report as annexure I.

14. DEPOSITS

The company has neither invited nor accepted any fixed deposit from the public during the year within the meaning of section 73 of companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 2014 as amended from time to time.

15. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

There were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable.



16. RELATED PARTIES TRANSACTIONS

During the year, there were no related party transactions. Therefore requisite details in form AOC – 2, is not required to be provided herewith.

17. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information relating to energy conservation, Foreign exchange earned and spent and research and development activities undertaken by the company in accordance with the provisions of section 134 of the Companies Act, 2013 read with Companies (Accounts) rules, 2014 are given herein below.

1. Conservation of energy:

Since the Company does not carry on any manufacturing activities, the provisions regarding this disclosure are not applicable.

2. Technology absorption:

There is no specific area in which company has carried out any Research & Development. No Technology has been imported as the company does not carry on any manufacturing activity.

3. Foreign Exchange earning and outgo :

- i). Foreign Exchange Earnings : NIL
- ii). Foreign Exchange Outgo : Rs. 35.86 Lacs
- iii). Advance to Supplier : Rs. 27.50 Lacs

18. DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submit its responsibility Statement:-

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit / loss of the company for that period;
- c. the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. the directors have prepared the annual accounts on a going concern basis;
- e. The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

19. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid last year.

20. COMMITTEES OF THE BOARD

The Company, being a Private Limited Company was not required to constitute a Nomination and Remuneration Committee under Section 178(1) of the Companies Act, 2013 and Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Stakeholders Relationship Committee under Section 178(5) of the Companies Act, 2013.



21. PARTICULARS OF EMPLOYEE

None of the employee has received remuneration exceeding the limit as stated in rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

22. ACKNOWLEDGEMENTS

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

PLACE: CHENNAI

DATE: 17/05/2017

FOR, and on behalf of the Board of Directors,
MEHAI TECHNOLOGY PRIVATE LIMITED

Shalini Jain
(DIRECTOR)
SHALINI JAIN



Sudhir Ostwal
(DIRECTOR)
SUDHIR OSTWAL

Sudhir Ostwal
A circular stamp with the text "MEHAI TECHNOLOGY PVT. LTD." around the top inner edge and "CHENNAI" in the center. There is a small star symbol at the bottom center of the circle.

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR END ON 31/03/2017

[Pursuant to section 92 (3) of the Companies Act, 2013 and rule 12 (1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i.	CIN	U74900TN2013PTC094159
ii.	Registration Date	13/12/2013
iii.	Name of the Company	Mehai Technology Private Limited
iv.	Category/Sub-Category of the Company	Company limited by Shares/ Indian Non-government company
v.	Address of the Registered office and Contact details	64, Thatha Muthiappan Street, 2nd Floor, Broadway Chennai Tamilnadu 600001 In Tel : (044) 45004730
vi.	Whether listed company	Unlisted
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	N.A

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:-

Sr. No	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Manufacture of computers and peripheral equipment	262	24.06
2	Manufacturing of Electric Lighting Equipment	274	60.50

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III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES : NIL

Sr. No.	Name And Address Of The Company	CIN/GLN	Holding/ Subsidiary /Associate	%of shares held	Applicable Section
1.					

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (As on 31 st March, 2016)				No. of Shares held at the end of the year (As on 31 st March, 2017)				%Change during the year
	Dema t	Physical	Total	% of Total Shares	Dem at	Physical	Total	% of Total Shares	
A. Promoter									
1) Indian									
a) Individual/ HUF	-	85,000	85,000	100%	-	84,350	84,350	99.24%	(0.76)%
b) Central Govt	-	-	-	-	-	-	-	-	0
c) State Govt(s)	-	-	-	-	-	-	-	-	0
d) Bodies Corp	-	-	-	-	-	-	-	-	0
e) Banks / FI	-	-	-	-	-	-	-	-	0
f) Any Other	-	-	-	-	-	-	-	-	0
Sub-total(A)(1):-	-	85,000	85,000	100%	-	84,350	84,350	99.24%	(0.76)%
2) Foreign									
g) NRIs- Individuals	-	-	-	-	-	-	-	-	0
h) Other- Individuals	-	-	-	-	-	-	-	-	0
i) Bodies Corp.	-	-	-	-	-	-	-	-	0
j) Banks / FI	-	-	-	-	-	-	-	-	0
k) Any Other....	-	-	-	-	-	-	-	-	0
Sub-total(A)(2):-	-	-	-	-	-	-	-	-	0
TOTAL A	-	85,000	85,000	100%	-	84,350	84,350	99.24%	(0.76)%
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	0%	-	-	-	0%	0
b) Banks / FI	-	-	-	0%	-	-	-	0%	0
c) Central Govt	-	-	-	0%	-	-	-	0%	0
d) State Govt(s)	-	-	-	0%	-	-	-	0%	0
e) Venture Capital Funds	-	-	-	0%	-	-	-	0%	0




f) Insurance Companies	-	-	-	0%	-	-	-	0%	0
g) FIs	-	-	-	0%	-	-	-	0%	0
h) Foreign Venture Capital Funds	-	-	-	0%	-	-	-	0%	0
i) Others (specify)	-	-	-	0%	-	-	-	0%	0
Sub-total(B)(1)	-	-	-	0%	-	-	-	0%	0
2. Non Institutions					-	-	-	0%	0
a) Bodies Corp.	-				-				
(i) Indian		0	0	0%		0	0	0%	0
(ii) Overseas									
b) Individuals	-	-	-	0%	-	650	650	0.76%	0.76%
(i) Individual shareholders holding nominal share capital up to Rs. 1 lakh									
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh									
Others(Specify)									
Sub-total(B)(2)	-	0	0	0%	-	0	0	0%	0
Total Public Shareholding (B)=(B)(1)+(B)(2)	-	0	0	0%	-	0	0	0%	0
C. Shares held by Custodian for GDRs & ADRs	-	-	-	0%	-	-	-	0%	0
Grand Total (A+B+C)	-	85,000	85,000	100%	-	85,000	85,000	100%	-



ii. Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year (As on 31 st March, 2016)			Shareholding at the end of the year (As on 31 st March, 2017)			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.	Sudhir Ostwal	75,000	88.24%	-	75,000	88.24%	-	-
2.	Shalini Jain	10,000	11.76%	-	9,350	11%	-	(0.76)%
	Total	85,000	100%	-	84,350	99.24%	-	(0.76)%

iii. Change in Promoters' Share holding (please specify, if there is no change)

Sr. no		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
	At the beginning of the year (As on 31 st March, 2016)	85,000	100%	85,000	100
	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):	650 (due to Transfer of Shares Dated 29/03/2017)	0.76%	650 (due to Transfer of Shares Dated 29/03/2017)	0.76%
	At the End of the year (As on 31 st March, 2016)	84,350	99.24%	84,350	99.24%

iv. Shareholding pattern of Top Ten Shareholders
(Other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. no		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	Mr. Sachin G. Modi				
	At the beginning of the year (As on 31 st March, 2016)	0	0%	0	0%



	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	100 (Due to Transfer Dated 29/03/2017)	0.12%	100 (Due to Transfer Dated 29/03/2017)	0.12%
	At the End of the year (As on 31 st March, 2017)	100	0.12%	100	0.12%
2	M/S Modi Sachin Govindlal HUF				
	At the beginning of the year (As on 31 st March, 2016)	0	0%	0	0%
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	200 (Due to Transfer Dated 29/03/2017)	0.23%	200 (Due to Transfer Dated 29/03/2017)	0.23%
	At the End of the year (As on 31 st March, 2017)	200	0.23%	200	0.23%
3	Mrs. Savitaben Govindlal Mody				
	At the beginning of the year (As on 31 st March, 2016)	0	0%	0	0%
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	150 (Due to Transfer Dated 29/03/2017)	0.18%	150 (Due to Transfer Dated 29/03/2017)	0.18%
	At the End of the year (As on 31 st March, 2017)	150	0.18%	150	0.18%
4	Mrs. Mamta Sachin Modi				
	At the beginning of the year (As on 31 st March, 2016)	0	0%	0	0%
	Date wise Increase / Decrease in Share holding during the	200 (Due to	0.23%	200 (Due to	0.23%



year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Transfer Dated 29/03/2017)		Transfer Dated 29/03/2017)	
At the End of the year (As on 31 st March, 2017)	200	0.23%	200	0.23%

v. Shareholding of Directors and Key Managerial Personnel:

Sr. no		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	Mr. Sudhir Ostwal				
	At the beginning of the year (As on 31 st March, 2016)	75,000	88.24%	75,000	88.24%
	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):	-	-	-	-
	At the End of the year (As on 31 st March, 2017)	75,000	88.24%	75,000	88.24%
2.	Mrs. Shalini Jain				
	At the beginning of the year (As on 31 st March, 2016)	10,000	11.76%	10,000	11.76%
	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):	(650) (Due to Transfer Dated 29/03/2017)	(0.76)	(650) (Due to Transfer Dated 29/03/2017)	(0.76)
	At the End of the year (As on 31 st March, 2017)	9,350	11%	9,350	11%



INDEBTEDNESS: N.A.

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	0	0	0	0
ii) Interest due but not paid				
iii) Interest accrued but not				
Total (i+ii+iii)	0	0	0	0
Change in Indebtedness during the financial year				
- Addition	0	3,25,00,000		0
- Reduction				
Net Change	0	3,25,00,000	0	0
Indebtedness at the end of the financial year				
i) Principal Amount	0	3,25,00,000	0	0
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	0	3,25,00,000	0	0



V. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

Sl. No.	Particulars of Remuneration	Name of Director			Total Amount
		Sudhir Ostwal	Shalini Jain		
1.	Gross salary	2,16,000	2,16,000		4,32,000
	(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	-	-	-	-
6.	Total(A)	2,16,000	2,16,000	-	4,32,000
	Ceiling as per the Act				

Sudhir Ostwal



B. Remuneration to other directors: N.A

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
	Independent Directors · Fee for attending board committee meetings · Commission · Others, please specify					
	Total (1)					
	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					

C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD-N.A.

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
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				
6.	Total				

VI. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES: NIL

Type	Section of the companies Act	Brief description	Details of Penalty/Punishment/Compounding fees imposed	Authority [RD /NCLT/Court]	Appeal made. If any(give details)
A. Company					
Penalty					
Punishment					
Compounding					
B. Directors					
Penalty					
Punishment					
Compounding					
C. Other Officers In Default					
Penalty					
Punishment					
Compounding					

PLACE: CHENNAI
DATE: 17/05/2017

FOR, and on behalf of the Board of Directors,
MEHAI TECHNOLOGY PRIVATE LIMITED



 (DIRECTOR) (DIRECTOR)
 SUDHIR OSTWAL SHALINI JAIN

QUALIFICATION IN AUDITORS' REPORT AND THE DIRECTOR'S REPLY

1. Auditors Report Regarding Company's Fixed assets:

On the Basis of Information and explanation given to us and on the basis of said verification, the Company has not maintained proper records showing full particulars including quantitative details and situation of fixed assets as required by the Act.

Board's Reply: Company is in Process of maintenance of Proper System for Records of Fixed Assets of the Company.

2. Auditors Report Regarding Company's Inventories:

As explained to us, the management has physically verified inventories during the year. In our Opinion the frequency of verification is reasonable and the company has not maintained proper item wise records of inventories. As explained to us, there was no material discrepancies noticed on physical verification as compared to the book records.

Board's Reply: Company is in Process of Maintenance of Proper System. Company will take care that Proper Item wise records of inventories are maintained in future.

3. Auditors Report Regarding Company's Statutory Dues:

According to the records of the company, the company is not been regular in depositing undisputed statutory dues like TDS, Sales Tax, Value Added Tax, Cess on and Other material Statutory dues with appropriate authorities, whenever applicable to it. The extent of arrears of outstanding dues as at last date of financial year for a Period of more than six months from the date they become payable is as under:

Sr. No.	Particulars	Rs. In Laacs
1.	Value Added Tax (As Per Books of Accounts maintained)	1.22

Board's Reply: The delay was inadvertently. The Company will take care no such delay occurs in future.

PLACE: CHENNAI
DATE: 17/05/2017

FOR, and on behalf of the Board of Directors,
MEHAI TECHNOLOGY PRIVATE LIMITED

(DIRECTOR)
SHALINI JAIN

(DIRECTOR)
SUDHIR OSTWAL





LOONIA & ASSOCIATES
CHARTERED ACCOUNTANT

Hitesh Loonia
(B.Com, A.C.A., C.M.A., C.S.)

INDEPENDENT AUDITORS' REPORT

To,
The Members of
Mehai Technology Pvt Limited
Chennai.

Report on the Financial Statements:

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

Management's Responsibility for the Financial Statements:

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility:

Our responsibility is to express an opinion on standalone 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 there under. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India 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 financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

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

Opinion:

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2017;
- (ii) In the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and
- (iii) In the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.


Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure A, statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent possible.
2. As required by Section 143(3) of the Act, we report that:
 - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- e. On the basis of the written representations received from the Directors as on March 31, 2017, taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2017, from being appointed as a Director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of internal financial controls over financial reporting of the Company and operating effectiveness of such controls, our separate report in Annexure -B may be referred;
- g. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us:
- i. The Company does not have any pending litigations which would impact its financial position;
- ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;
- iii. There has been no instance of transferring the amounts required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. The Company has provided requisite disclosures in the financial statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated November 8,2016 of the Ministry of Finance, during the period from November 8,2016 to December 30,2016. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the management.

Place: Ahmedabad
Date: 17.05.2017

For Loonia & Associates.
Chartered Accountants
(F.R.No.130883W)



Hitesh Loonia

Hitesh Loonia
(Proprietor)
M.NO.-135424

Annexure A to Independent Auditors' Report

Referred to in Paragraph 1 under the heading of "Report on other legal and regulatory requirements" of our report of even date

1. In respect of the Company's fixed assets:
 - a) ***On the basis of information and explanation given to us and on the basis of said verification, the Company has not maintained proper records showing full particulars including quantitative details and situation of fixed assets as required by the Act.***
 - b) The fixed assets were physically verified by the management at reasonable intervals during the year in a phased periodical manner in accordance with a programmed of physical verification. No material discrepancies were noticed on such physical verification.
 - c) All the title deed of Immovable Properties are held in the name of the company except permission granted by the company.
2. In respect of the Company's inventories:
 - d) As explained to us, the management has physically verified inventories during the year. In our opinion the frequency of verification is reasonable and ***the Company has not maintained proper item wise records of inventories.*** As explained to us, there was no material discrepancies noticed on physical verification as compared to the book records.
3. In respect of the loans, secured or unsecured, granted or taken by the Company to / from Companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013:

According to the information & explanations given to us, the Company has not granted any loan to Companies, firms or other parties covered in the register maintained u/s. 189 of the Companies Act, 2013.
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
5. According to the information and explanations given to us, the Company has not accepted any deposit covered under Section 73 to 76 of the Companies Act, 2013 during the year.
6. As informed to us, the Central Government has not prescribed maintenance of Cost records under sub-section(1) of Section 148 of the Companies Act, 2013, in respect of its products

7. According to the information and explanations given to us, in respect of statutory dues:

(a) According to the records of the Company, the company is not been regular in depositing undisputed statutory dues like TDS, Sales Tax, Value Added Tax, Cess on and other material statutory dues with appropriate authorities, wherever applicable to it. The extent of arrears of outstanding dues as at last date of financial year for a period of more than six months from the date they became payable is as under:-

Sr.No	Particulars	₹ in Lacs
1	Value Added Tax (As per Books of Accounts maintained)	1.22

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2017 for a period of more than six months from the date they became payable.

8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and government and dues to debenture holders except delay payment of principal and interest amount to due with the bank.
9. In our opinion and according to the information and explanations given to us, the company has not applied for any term loan. The Company has not raised moneys by way of initial public offer or further public offer.
10. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
11. In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
12. The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.
13. In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
14. According to information and explanations given 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 in terms of section 42 of the Act. Accordingly, paragraph 3(xiv) of the Order is not applicable.

15. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non cash transactions with its directors or persons connected with him and hence provisions of Section 192 of the Companies Act, 2013 are not applicable.
16. The Company is not required to be registered under section 45-I of the Reserve Bank of India Act, 1934.

Place: Ahmedabad
Date: 17.05.2017



Loonia & Associates.
Chartered Accountants
(R.No.130883W)

Hitesh Loonia
(Proprietor)
M.NO.-135424

Annexure B to Independent Auditors' Report

(Referred to in paragraph 2 (f) under „Report on Other Legal and Regulatory Requirements“ section of our report of even date)

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

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with 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.

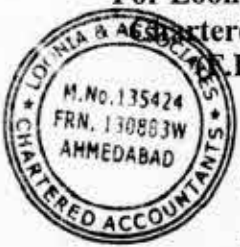
Opinion

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

Place: Ahmedabad
Date: 17.05.2017

For Loonia & Associates.
Chartered Accountants
(R.No.130883W)

Hitesh Loonia
(Proprietor)
M.NO.-135424



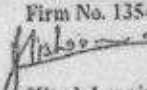

MEHAI TECHNOLOGY PRIVATE LIMITED
64, THATHA MUTHAPPAN STREET, 2ND FLOOR BROADWAY, CHENNAI-600 001
CIN: U74900TN2013PTC094159

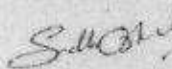
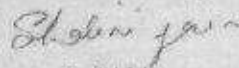
Balance Sheet as at 31-Mar-2017

Particulars	Note No.	as at 31-Mar-2017		as at 31-Mar-2016	
I. EQUITY AND LIABILITIES					
1 Shareholders' Funds			4,181,914		1,115,863
(a) Share Capital	2	850,000		850,000	
(b) Reserves and Surplus	3	3,331,914		265,863	
2 Share Application Money Pending					
3 Non-Current Liabilities			39,935,022		7,002,142
(a) Long-Term Borrowings	4	32,500,000		-	
(b) Deferred Tax Liabilities (Net)	5	437,138		4,258	
(c) Other Long term liabilities	6	6,997,884		6,997,884	
(d) Long-term provisions		-		-	
4 Current Liabilities			40,992,647		1,528,430
(a) Short-Term Borrowings					
(b) Trade Payables	7	25,192,207		1,222,766	
(c) Other Current Liabilities	8	14,565,956		25,000	
(d) Short-Term Provisions	9	1,234,484		290,664	
Total			85,109,583		89,646,435
II. ASSETS					
1 Non-Current Assets			16,389,789		1,870,690
(a) Fixed Assets					
(i) Tangible Assets	10	16,054,035		1,470,932	
(b) Non-Current Investments				371,750	
(c) Long-Term Loans and Advances	11	321,750		28,008	
(d) Other non-current assets	12	14,004		-	
2 Current Assets			68,719,794		7,775,745
(a) Current Investments					
(b) Inventories	13	4,021,250		5,917,000	
(c) Trade receivables	14	34,292,045		1,513,554	
(d) Cash and Cash Equivalents	15	30,406,499		345,191	
(e) Short-term loans and advances					
Total			85,109,583		89,646,435

Accounting Policies forming parts of accounts

The Notes referred to above form an integral part of the Balance Sheet.
As per our report of even date

For M/s Lonia & Associates
Chartered Accountants
Firm No. 135424

Hitesh Lonia
Proprietor
Mem No 135424


FOR & ON BEHALF OF BOARD OF DIRECTORS
For, Mehai Technology Pvt Limited

Sudhir Ostwal
Director

Shalini Jain
Director



MEHAI TECHNOLOGY PRIVATE LIMITED

64, THATHA MUTHIAPPAN STREET, 2ND FLOOR BROADWAY, CHENNAI-600 001

CIN: U74900TN2013PTC094159

Statement of Profit and Loss for the year ended 31-Mar-2017

(Amount in Rs.)

Sr. No.	Particulars	Note No.	31-Mar-2017	31-Mar-2016
I	Revenue from Operations	16	52,237,473	12,442,782
II	Other Income		-	
III	TOTAL REVENUE (I + II)		52,237,473	12,442,782
IV	EXPENSES			
	Cost of Raw Material Consumed	17	41,276,595	6,991,802
	Changes in Inventories	18	210,950	(287,000)
	Employee Benefit Expenses	19	1,501,200	1,294,600
	Finance Costs	20	30,650	4,516
	Depreciation and Amortization Expenses		97,661	106,666
	Other Expenses	21	4,795,914	4,180,200
	TOTAL EXPENSES		47,912,970	12,290,784
V	Profit before Exceptional and Extraordinary Items and Tax (III-IV)		4,324,503	151,998
VI	Exceptional Items		-	-
VII	Profit before Extraordinary Items and Tax		4,324,503	151,998
VIII	Extraordinary Items			-
IX	Profit Before Tax		4,324,503	151,998
X	Tax Expense			
	Current Tax		825,572	6,082
	Deferred Tax		432,880	(740)
XI	Profit/(Loss) for the period from Continuing Operations (IX-X)		3,066,051	146,656
XII	Profit/(Loss) from Discontinuing Operations		-	-
XIII	Tax Expense of Discontinuing Operations		-	-
XIV	Profit/(Loss) from Discontinuing Operations (after tax) (XII-XIII)		-	-
XV	Profit(Loss) for the Period (XI+XIV)		3,066,051	146,656
XVI	Earnings per Equity Share	22		
	-Basic		36.07	1.73
	-Diluted		36.07	1.73

The Notes referred to above form an integral part of the Balance Sheet.

As per our report of even date

For M/s Loonia & Associates

Chartered Accountants

Firm No. 135424

M. No. 135424

FRN: 130883W

AMMEDABAD

Hitesh Loonia

Proprietor

Mem No 135424

Place : Ahmedabad

Date: 17.05.2017

FOR & ON BEHALF OF BOARD OF DIRECTORS

For, Mehai Technology Pvt Ltd

Sudhir Ostwal

Sudhir Ostwal
Director



Shalini Jain

Shalini Jain
Director

MEHAI TECHNOLOGY PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2017

[Amount in Rupees]

Particulars	2016-17	2015-16
A. Cash Flow From Operating Activities		
Net Profit before taxation and extraordinary items	4,324,503	151,998
Adjustment for :-		
Depreciation and Amortization	97,661	106,666
Misc Exp written off	14,004	14,004
Finance Costs	30,650	4,516
sub-total	142,315	125,186
Operating Profit before working capital changes	4,466,818	277,184
Change in working Capital :		
Inventories	1,895,750	(2,776,855)
Trade receivables	(32,778,491)	(1,513,554)
Short Term loans & advances	-	(15,296)
Long Term loans & advances	50,000	-
Trade payables	23,969,441	(3,102,851)
Other current liabilities	14,540,955	145,511
Short Term Provisions	128,199	-
Net cash from Operating Activities	12,272,672	(6,985,861)
B. Net Cash Flow From Investment Activities		
Purchase of Fixed Assets	(14,680,764)	-
Net Cash from Investment Activities	(14,680,764)	-
C. Cash Flow From Financing Activities		
Finance Costs	(30,650)	(4,516)
Increase in Long Term Borrowings	32,500,000	-
Proceeds of long term Liabilities	0	6,997,884
Proceeds of short term borrowings	0	-
Net Cash from financial activities	32,469,350	6,993,368
Net Increase/ (-) Decrease in Cash & Cash Equivalents	30,061,258	7,507
Opening Balance in Cash and Cash Equivalents	345,191	337,684
Closing Balance in Cash and Cash Equivalents	30,406,499	345,191

As per our report of even date attached.

For, M/s Loonia & Associates
Chartered Accountants


Hitesh Loonia
Proprietor
Mem. No 13542



Place: Ahmedabad
Date: 17.05.2017

FOR & ON BEHALF OF BOARD OF
DIRECTORS

For, Mehai Technology Private Ltd


Sudhir Ostwal
Director



Notes Forming Part of Financial Statements for the year ended 31st March, 2017

NOTE: 1 SIGNIFICANT ACCOUNTING POLICIES:

A. Basis of Preparation of Financial Statements :

- a) The financial statements are prepared under historical cost convention in accordance with the generally accepted accounting principles and the provisions of the Companies Act 2013 as adopted consistently by the Company.
- b) Accounting policies not specifically referred to otherwise are consistent with generally accepted accounting principles followed by the Company.

B. Revenue Recognition :

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from Operations include sale of goods. Interest income, if any is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.

C. Use of Estimates :

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

D. Fixed Assets :

Fixed assets are stated at the cost net of recoverable taxes and include amounts added on revaluation, less accumulated depreciation and impairment loss, if any. All costs, including financial cost till commencement of commercial production, net charges on foreign exchange contracts and adjustments arising from exchange rates variations attributable to the fixed asset are capitalized.

E. Depreciation :

Depreciation on tangible assets is provided on the straight line method as per Schedule II of the Companies Act, 2013 over the useful lives of assets estimated by the Management.

F. Borrowing Cost :

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as a part of cost of such assets. A qualifying asset is a one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss.

G. Inventories :

Items of inventories are measured at lower of cost and net realizable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase, cost of conversion and other cost including overheads incurred in bringing them to their respective present location and condition.

H. Investments :

Current investments are carried at lower of cost & net realizable value. Long term (noncurrent) investments are stated at cost. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary.

I. Income Tax Accounting :

- a) Current Tax provision is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of Income Tax Act, 1961.
- b) Deferred Tax is recognised, on timing difference, being the difference between taxable income and book profit that originate in one period and are capable of reversal in one or more subsequent periods.

J. Extraordinary Items :

The extraordinary items are incomes or expenses that arise from events or transactions that are clearly distinct from the ordinary activities of the enterprise and therefore, are not expected to recur frequently or regularly. The nature and amount of each extraordinary item are identified and disclosed in the Statement of Profit and Loss in a manner that its impact on current profit or loss can be perceived.

K. Provision and Contingent Liabilities :

A provision is recognized when the company has a present obligation as a result of a past event and it is probable that an outflow of resources would be required to settle the obligation and in respect of which a reliable estimate can be made. A disclosure of the contingent liability, if determinable, is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. But where is a possible obligation but the likelihood of outflow of resources is remote, no provision / disclosure is made.

L. Impairment of Assets :

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit & Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

M. Provisions :

Provisions are recognised when the Company has a present obligation as a result of past events, for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made.

N. Cash and Cash Equivalents :

Cash and Cash equivalents includes cash and cheque on hand, demand deposits with banks, fixed deposits and other short term highly liquid investments with original maturities of three months or less.

O. Employee Benefits :

Provident Fund:-

The management is of the opinion that Provident Fund is not applicable to the Company as number of employees are less than that as required by law.

Gratuity:-

The provision of gratuity is not made by the Company. However, if payment on account of gratuity arises due to happening of any incidents as provided under the applicable provisions of law, the same will be accounted for on cash basis.

Pension:-

The management is also of the opinion that the payment under Pension Act is not applicable to the Company.

P. Earning Per Share :

In determining the Earnings Per share, the company considers the net profit after tax includes any post tax effect of any extraordinary / exceptional item. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period.

The number of shares used in computing Diluted earnings per share comprises the weighted average number of shares considered for computing Basic Earnings per share and also the weighted number of equity shares that would have been issued on conversion of all potentially dilutive shares.

In the event of issue of bonus shares, or share split the number of equity shares outstanding is increased without an increase in the resources. The number of Equity shares outstanding before the event is adjusted for the proportionate change in the number of equity shares outstanding as if the event had occurred at the beginning of the earliest period reported.

R. Segment Reporting:

The Company operates only in one reportable business segment. Hence, there are no reportable segment under AS – 17. The conditions prevailing in India being uniform no separate geographical disclosures are considered necessary

S. Foreign Currency Transactions:

Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction.

All exchange differences arising on settlement and conversion on foreign currency transaction are included in the Statement of Profit and Loss, except in cases where they relate to the acquisition of fixed assets, in which case they are adjusted in the cost of the corresponding asset.

In respect of transactions covered by forward exchange contracts, the difference between the forward rate and the exchange rate at the date of transaction is recognised as income or expense over the life of the contract, except where it relates to fixed assets, in which case it is adjusted in the cost of the corresponding assets.

Notes to the Financial Statements for the year ended 31st March 2017

2 Share Capital

(Amount in Rs.)

Sr. No	Particulars	As at 31st March 2017	As at 31st March 2016
1	AUTHORIZED SHARE CAPITAL 2,50,000(2,50,000) Equity Shares of Rs.10/- each	2,500,000	2,500,000
	Total	2,500,000	2,500,000
2	ISSUED , SUBSCRIBED & PAID UP CAPITAL At the beginning period Add : Issued during the period Add : Issued on account of merger / Conversion / Bonus / Split Less : Forfeited Share (amount originally paid up) At the end of reporting period Less: Calls Unpaid (Showing aggregate value of calls unpaid by directors and officers)	850,000 - - - 850,000	850,000 - - - 850,000
	Total	850,000	850,000

B The reconciliation of the number of shares outstanding as at March 31,2017 and March 31, 2016 is set out below :

Equity Shares	As at 31st March 2017		As at 31st March 2016	
	No of shares	Amount	No of shares	Amount
Shares outstanding at the beginning of the year	85,000	850,000	85,000	850,000
Add: Shares issued during the year	-	-	-	-
Less: Buy Back/ Forfeited Shares	-	-	-	-
Shares outstanding at the end of the year	85,000	850,000	85,000	850,000

C The details of shareholder holding more than 5% shares is set out below:

Name of the shareholder	As at 31st March 2017		As at 31st March 2016	
	No of Shares	% of holding	No of Shares	% of holding
1 Sudhir Ostwal	75,000	88.24%	75,000	88.24
2 Shalini Jain	9,350	11.00%	10,000	11.76
Total	84,350	99.24%	85,000	100.00

1 The company has only one class of ordinary equity shares and the holders of these ordinary shares are entitled to receive dividends as and when declared by the company. All shares rank equally with regard to the company's residual assets.

3 Reserves & Surplus

Sr. No	Particulars	As at 31st March 2017	As at 31st March 2016
1	SURPLUS IN STATEMENT OF PROFIT AND LOSS Balance as per last Financial year Add : Profit for the year Add : Addition during the year (including tranfer from reserve) Less : Appropriations, if any	265,863 3,066,051 -	119,207 146,656 -
	Total	3,331,914	265863



Notes to the Financial Statements for the year ended 31st March 2017

(Amount in Rs.)

4 Long Term Borrowings

Sr. No	Particulars	As at 31st March 2017		As at 31st March 2016	
	Unsecured Loan	-	-	-	-
	(i) From Bank	32,500,000	32,500,000	-	-
	(ii) From Other parties	-	-	-	-
	Total		32,500,000		-

5 Deferred Tax Liability (Net)

Sr. No	Particulars	As at 31st March 2017		As at 31st March 2016	
	DEFERRED TAX LIABILITIES :	437,138	-	4,258	-
	- Related to Fixed Assets	-	437,138	-	4,258
	- Related to Others	-	437,138	-	4,258
	TOTAL		437,138		4,258

6 Other Long Term Liabilities

Sr. No	Particulars	As at 31st March 2017		As at 31st March 2016	
	Trade Payables	6,997,884	-	6,997,884	-
	Total		6,997,884		6,997,884

7 Trade Payables

Sr. No	Particulars	As at 31st March 2017		As at 31st March 2016	
1	Due to Micro, Small and Medium Enterprises	-	-	-	-
2	Due to Others	25,192,207	25,192,207	1,222,766	1,222,766
	Total		25,192,207		1,222,766

8 Other Current Liabilities

Sr. No	Particulars	As at 31st March 2017		As at 31st March 2016	
	Other Current Liabilities	-	-	25,000	-
	Creditors for Capital Goods	14,565,956	-	-	-
	Total		14,565,956		25,000

9 Short Term Provisions

Sr. No	Particulars	As at 31st March 2017		As at 31st March 2016	
1	Provision for employee benefits ;	180,000	180,000	-	-
	- Provision for Salary & Bonus	-	-	-	-
2	Others :	770,877	-	17,662	-
	- Provision for Income tax (Net of MAT Credit Entitlement)	60,250	-	118,000	-
	- Rent Payable	223,357	1,054,484	145,002	280,664
	- Sales / Vat Tax Payable	-	-	-	-
	Total		1,234,484		280,664



10 Fixed Assets

(Amount in Rs.)

Particulars	Gross Block				Depreciation Fund				Net Block	
	As on 01.04.16	Additions	Deletions	Total	As At 01.04.16	Dep. For the year	Deletions	Total As on 31-03- 2017	As on 31.03.17	As on 31.03.16
Machinery	1,600,000	8,678,292	-	10,278,292	129,068	77,410	-	206,478	10,071,814	1,470,932
Furniture & Fixtures	-	6,002,472	-	6,002,472	-	20,251	-	20,251	5,982,221	-
	1,600,000	14,680,764	-	16,280,764	129,068	97,661	-	226,729	16,054,035	1,470,932

Notes to the Financial Statements for the year ended 31st March 2017

(Amount in Rs.)

11 Long Term Loans and Advances

Sr. No.	Particulars	As at 31st March 2017		As at 31st March 2016	
1	Unsecured, Considered Good unless otherwise stated : Security Deposits				
	Security Deposits	321,750		371,750	
	Total		321,750		371,750

12 Other non-current assets

Sr. No.	Particulars	As at 31st March 2017		As at 31st March 2016	
1	Preliminary Exp to the extent not w/off	14,004		28,008	
	Total		14,004		28,008

13 Inventories

Sr. No.	Particulars	As at 31st March 2017		As at 31st March 2016	
	(Valued at lower of cost or Net Realisable Value and as certified by Management)				
1	Raw Materials	3,305,200		4,990,000	
2	Work In Progress	375,300		577,000	
3	Finished Goods	340,750	4,021,250	350,000	5,917,000
	Total		4,021,250		5,917,000

14 Trade Receivables

Sr. No.	Particulars	As at 31st March, 2017		As at 31st March 2016	
(1)	Outstanding for not more than six months				
	(a) Secured, considered good	-	-	-	
	(b) Unsecured, considered good	33,951,764	33,951,764	-	
(2)	Outstanding for more than six months				
	(a) Secured, considered good	-	-	-	
	(b) Unsecured, considered good	340,281	340,281	1,513,554	1,513,554
	Total		34,292,045		1,513,554

15 Cash and Cash Equivalents

Sr. No.	Particulars	As at 31st March 2017		As at 31st March 2016	
1	Cash & Cash Equivalent				
	(a) Balances with Schedule Banks				
	Axis Bank	8,950		4,895	
	State Bank of Hyderabad	3,615		-	
	Bandhan Bank	30,000,000	30,012,565	-	4,895
	(b) Cash on Hand	393,934	393,934	340,296	340,296
	Total		30,406,499		345,191

Schedules Forming Part of the Statement of Profit & Loss for the year ended 31st March 2017
(Amount in Rs.)

16 Revenue from Operations

Sr. No	Particulars	As at 31st March 2017		As at 31st March 2016	
1	Revenue from Operations				
	Sale of Products Sale of Goods	52,235,167	52,235,167	12,381,827	12,381,827
2	Other Operating Revenue				
	Misc Income	2,306	2,306	60,955	60,955
Total			52,237,473		12,442,782

17 Cost of Raw Material Consumed

Sr. No	Particulars	As at 31st March 2017		As at 31st March 2016	
	Opening Stock	4,990,000		2,500,145	
	Purchases	39,591,795		9,481,657	
	Less : Closing Stock	(3,305,200)	41,276,595	(4,990,000)	6,991,802
Total			41,276,595		6,991,802

18 Changes in inventories of finished goods, work-in-progress and Stock-in-Trade

Sr. No	Particulars	As at 31st March 2017		As at 31st March 2016	
1	Stock in Trade				
	Opening Stock - Work In Progress - Finished Goods	577,000 350,000	927,000	440,000 200,000	640,000
	Less : Closing Stock - Work In Progress - Finished Goods	375,300 340,750	716,050	577,000 350,000	927,000
		716,050		927,000	
Net Increase/ Decrease			210,950		(287,000)

19 Employee Benefits Expense

Sr. No	Particulars	As at 31st March 2017		As at 31st March 2016	
(A)	Salary & Wages				
	- Director Remuneration - Salary & Wages	432,000 1,069,200	1,501,200	432,000 862,600	1,294,600
Total			1,501,200		1,294,600



Schedules Forming Part of the Statement of Profit & Loss for the year ended 31st March 2017
(Amount in Rs.)

20 Finance Costs

Sr. No	Particulars	As at		As at	
		31st March 2017		31st March 2016	
1	Interest Expense				
	- Interest Exp	49	49	-	-
2	Other Borrowing Costs				
	- Bank Charges	30,601	30,601	4,516	4,516
	Total		30,650		4,516

21 Other Expenses

Sr. No	Particulars	As at		As at	
		31st March 2017		31st March 2016	
1	Manufacturing Exp				
	Production Exp	16,959		-	
	Clearing Expenses & Forwarding Exp	506,054		471,098	
	Electricity Bill	140,608		206,665	
	Customs Duty	903,983		554,701	
	Import Freight Expenses	16,790		470	
	Labour Charges	609,695	2,194,089	310,413	1,543,347
2	Administrative & Other Exp				
	Advertisement	18,845		112,684	
	Audit Fees	54,500		5,000	
	Factory & Office Expenses	399,952		222,750	
	Foreign Exchange Difference	-		484,502	
	Rent, Rates & Taxes	551,500		556,000	
	Travelling Exp	375,783		-	
	Factory Maintenance Charges	57,250		55,000	
	Charges for BIS Certificate	-		303,000	
	Repair & Maintenance	299,260		12,000	
	ROC Fees	-		17,000	
	Subscription Exp	3,550		-	
	Misc Exp	177		88	
	Telephone Charges	17,345		14,981	
	Bad Debt	131,153		-	
Trademark	-	1,909,315	5,250	1,788,255	
3	Other Expenses				
	Fine & Penalty	4,450		-	
	Preliminary Expenses Written off	14,004	18,454	14,004	14,004
4	Selling & Distribution Exp				
	Online Charges	674,056	674,056	834,594	834,594
	Total		4,795,914		4,180,200

22 Earning Per Share

Sr. No	Particulars	As at		As at	
		31st March 2017		31st March 2016	
1	Profit attributable to the Equity Shareholders	A	3,066,051	A	146,656
2	Basic / Weighted average number of Equity Shares outstanding during the period	B	85,000	B	85,000
3	Nominal value of Equity Shares (Rs.)		10.00		10.00
4	Basic Earnings per Share (Rs.)	A / B	36.07	A / B	1.73
5	Diluted Earning per Share (Rs.)		36.07		1.73



NOTES ON ACCOUNTS:

1. Foreign Currency Earning / Expenditure:-

Earnings	:	NIL
Expenditure	:	₹ 35.86 lacs (Purchase of Goods)
Advance to Supplier	:	₹ 27.50 lacs

2. Related Party Disclosures:-

Transactions with Related Parties as specified under Accounting Standard – 18 issued by the Institute of Chartered Accountant of India-

Enterprises over which Key Managerial Personnel exercises significant influence NIL

Key Managerial Personnel (KMP) on the Board

Mr. Sudhir Ostwal	Director
Mrs. Shalini Jain	Director

Entities in which Director are interested

Sudhir Ostwal & Sons HUF	-	HUF of Director
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Particulars of Related Party Transactions:-

Particulars	(₹ in Lacs)					
	Director Remuneration		Interest Given		O/S Payable	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
Sudhir Ostwal	2.16	2.16	Nil	Nil	0.90	Nil
Shalini Jain	2.16	2.16	Nil	Nil	0.90	Nil
Sudhir Ostwal & Sons	NA	NA	Nil	Nil	Nil	Nil

3. Details of Specified Bank Notes (SBN) held and transacted during the period 08.11.2016 to 30.12.2016 as provided in the Table below:-

Particulars	(₹ in Lacs)		
	SBN	Other Denomination Notes	Total
Closing Cash in Hand as on 08.11.2016	16.23	1.64	17.87
Permitted Receipts	0	0.66	0.66
Permitted Payments	0	1.07	1.07
Amount Deposited in Banks	16.23	0	16.23
Closing Cash in Hand as on 30.12.2016	0	1.23	1.23

4. In the opinion of the Board of Directors, Current Assets, Loans and Advances have a value of realization equivalent to the amount at which they are stated in the Balance Sheet. Adequate provisions have been made in the accounts for all the known liabilities.
5. The balance of Sundry Creditors, Sundry Debtors, and Loans & Advances are unsecured, considered good and reconciled from subsequent transaction and/ or confirmations are obtained.
6. Previous year's figures have been regrouped / reclassified wherever necessary to confirm to current year's classification.
7. As informed to us, there are no contingent liabilities as on Balance Sheet Date.
8. As certified by the Directors all amounts in the Balance Sheet relating to Sundry Debtors, Sundry Creditors, Unsecured Loans, Deposits, Loans and advances are shown at net realizable or net payable as the case may be.
9. As certified by Company that it has received written representation from all the Directors, that Companies in which they are Directors had not defaulted in terms of section 164 (2) of the Companies Act, 2013, and that representation of Directors taken in Board that Director is disqualified from being appointed as Director of the Company.

As per our report of even date.

For and on behalf of Board of Directors

For, Loonia & Associates,
Chartered Accountants



Loonia
Proprietor

M.No. 135424

Firm Reg No 130883W

Sudhir Ostwal
Director

Shalini Jain
Director



Place: Ahmedabad
Date: 17.05.2017