

KRANTI INDUSTRIES LIMITED

Financial statements along with Auditors Report
For the Financial Year 2017-2018

SIDDHARTH BOGAWAT & ASSOCIATES

CHARTERED ACCOUNTANTS

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Mitramandal Chowk, Pune- 411009

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SIDDHARTH BOGAWAT & ASSOCIATES

CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the members of Kranti Industries Limited

Report on the standalone financial statements

1. We have audited the accompanying standalone financial statements of Kranti Industries Limited ('the Company'), which comprise the balance sheet as at March 31, 2018, the statement of profit and loss, the cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's responsibility for the standalone financial statements

2. The Company's board of directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. We have taken into account the provisions of the Act, 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.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the 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 financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.



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

Opinion

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

The comparative financial information of the company for the year ended March 31, 2017, prepared in accordance with prevailing accounting standards. Included in these standalone financial statements have been audited by the predecessors. The report of the predecessor auditor on the comparative financial information dated September 29, 2017, expressed an unmodified opinion.

Report on other legal and regulatory requirements

9. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the central government of India in terms of sub-section (11) of section 143 of the Act, we give in Annexure B, a statement on the matters specified in paragraphs 3 and 4 of the Order.

10. As required by section 143 (3) of the Act, I report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 financial statements dealt with by this report are in agreement with the books of account.
- d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended);
- e. On the basis of the written representations received from the directors as on 31 March 2018 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164(2) of the Act;
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to my separate report in Annexure A; and
- g. With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2017, in our opinion and to the best of our information and according to the explanations given to us:



- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – refer note to accounts in the financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There are no amounts required to be transferred to the Investor Education and Protection Fund by the Company.

For Siddharth Bogawat & Associates
Chartered Accountants
Firm registration No. 131626W

Siddharth

Siddharth Bogawat
Proprietor
Membership No. 134134
Place :Pune.
Date :



Annexure 'A' to the Independent Auditor's Report

Referred to in paragraph 10(f) under 'Report on other legal and regulatory requirements' of my report of even date)

Report on the internal financial controls under clause (i) of sub-section (3) of section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of Kranti Industries Limited ('the Company') as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's responsibility for internal financial controls

The 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 ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('the ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We have conducted my audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable, to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI.

Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain Financial Statements - Independent Auditor's Report 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 involved performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of internal financial controls over financial reporting

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



company's internal financial control over financial reporting includes those policies and procedures that: (

- 1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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, 2018, 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 issued by the ICAI

For Siddharth Bogawat & Associates
Chartered Accountants
Firm registration No. 131626W



Siddharth Bogawat
Proprietor
Membership No. 134134
Place :Pune.
Date :



Annexure 'B' to the Independent

Auditor's Report

(Referred to in paragraph 9 under 'Report on other legal and regulatory requirements' of my report of even date)

- (a) The Company is maintaining proper records to show full particulars including quantitative details and situation of all fixed assets.
- (b) We have been informed that the Company has formulated a program of physical verification of all the fixed assets over a period of two years which, in our opinion, is reasonable having regard to the size of the Company and nature of its assets. Accordingly, the physical verification of the fixed assets has been carried out by management during the year and no material discrepancies were noticed on such verification.
- (c) The title deeds of immovable properties are held in the name of the Company.
2. (a) The management of the Company has carried out physical verification of inventory at reasonable intervals. In our opinion the frequency of the verification is reasonable.
- (b) In our opinion and according to information and explanations given to us, the procedures of physical verification followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
- (c) In our opinion, the Company is maintaining proper records of inventory so far as applicable. According to the information and explanations given to me, no material discrepancies were noticed on physical verification as compared to the books and records.
3. (a) The Company has granted unsecured loan to its subsidiary of Rs. 25,00,000/-. The maximum amount outstanding was Rs. 25,00,000/- and the year-end balance is Rs. 15,00,000/-
- (b) In our opinion and according to information and explanations given to me, rate of interest and the terms and conditions of these unsecured loans are not, prima facie, prejudicial to the interest of the company
4. In our opinion and according to the information and explanations given to me, in respect of loans, investments, guarantees and security the provisions of section 185 and 186 of the Act have been complied with.
5. (a) The company has accepted deposits in the form of unsecured loans from various parties and has complied with the provisions of Section 73 to 76 and any other relevant provisions of the Companies Act, 2013.
- (b) In our opinion and according to information and explanations given to us, rate of interest and the terms and conditions of these unsecured loans are not, prima facie, prejudicial to the interest of the company.
- (c) The company is regular in payment of the interest on the aforesaid deposits. There are no stipulations as to repayment of principal



6. a. According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees state insurance, income-tax, sales-tax, GST, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues as applicable with the appropriate authorities. According to the information and explanations given to us, there were no undisputed amounts payable in respect of provident fund, employees state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, cess and other statutory dues outstanding as at March 31, 2018 for a period of more than six months from the date they became payable.
- b. According to the information and explanations given to us and the records of the Company examined by us, there are no dues of goods and service tax with effect from July 1, 2017, sales-tax and value added tax which have not been deposited on account of any dispute. The particulars of dues of income tax as at March 31, 2018 which have not been deposited on account of a dispute, are as follows:

Sr. No	Act	Nature of Dues	Amount	Period to which amounts Relates	Forum where the dispute is pending
1.	Income Tax Act	Income Tax Dues	14,41,660.00	A.Y 2015-16	Commissioner (Appeals) - Pune

7. According to the records of the Company examined by me and the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowing to any financial institution, bank, and government or debenture holders as at the balance sheet date.
8. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. In our opinion and according to the information and explanations given to me, the term loans were applied for the purpose for which they were taken.
9. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, We have neither come across any instances of material fraud by the Company nor on the Company by its officers or employees, noticed or reported during the year, nor have been informed of such case by management.
10. According to the records of the Company examined by me and the information and explanations given to me, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Act.
11. According to the records of the Company examined by us and the information and explanations given to us, all transactions with related parties are in compliance with sections 177 and 188 of the Act and the details have been disclosed in the financial statements as required by the applicable accounting standards.
12. According to the records of the Company examined by us and the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them.



13. According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
14. Paragraphs 3(vi), 3(xii), and 3(xiv) of the Order are not applicable to the Company

For Siddharth Bogawat & Associates
Chartered Accountants
Firm registration No. 131626W

Siddharth

Siddharth Bogawat
Proprietor
Membership No. 134134
Place :Pune.
Date :



KRANTI INDUSTRIES LIMITED

GAT NO. 267/B/1, PIRANGUT, TAL - MULSHI, PUNE - 412115


Balance Sheet as at 31st March, 2018

Particulars	Note No.	Rupees	As at	As at
			31st March, 2018	31st March, 2017
			Rupees	Rupees
EQUITY AND LIABILITIES :				
Shareholders' funds				
Share Capital	3	7,05,00,000.00		7,05,00,000.00
Reserves and Surplus	4	6,11,57,202.59		5,01,49,191.51
			13,16,57,202.59	12,06,49,191.51
Non-Current Liabilities				
Long Term Borrowings	5	9,70,83,744.76		10,55,45,700.70
Deferred tax Liabilities	6	1,01,52,732.25		1,29,03,274.25
Long Term Provisions	7	8,30,020.00		9,04,074.00
			10,80,66,497.01	
Current Liabilities				
Short Term Borrowings	8	5,40,68,483.75		5,55,01,151.09
Current Maturities of Long Term Borrowings	9	3,23,13,725.62		3,79,69,729.21
Trade Payables	10	6,24,66,722.74		4,13,95,063.00
Other Current Liabilities	11	3,94,200.00		15,04,760.73
Short Term Provisions	12	1,42,87,937.54		92,86,842.00
			16,35,31,069.65	
Total			40,32,54,769.25	38,56,59,786.49
ASSETS :				
Non - Current Assets				
Fixed assets				
Tangible Assets	13	19,17,78,345.83		20,80,01,916.24
Intangible Assets		9,26,232.42		14,731.83
Capital Work-in-progress		6,22,424.00		0.00
			19,33,27,002.25	20,80,16,648.07
Investments	14		2,85,34,113.00	2,85,14,113.00
Long Term Loans and Advances	15		2,57,01,683.07	3,11,27,787.13
Other Non-Current Assets	16		47,30,422.98	0.00
Current Assets				
Current Investments				
Inventories	17	5,76,19,687.26		4,75,18,083.24
Trade Receivables	18	8,60,36,042.62		6,03,23,393.55
Cash and Bank Balances	19	9,48,881.86		4,44,705.69
Short Term Loans and Advances	20	50,946.00		29,53,283.70
Other Current Assets	21	63,05,990.20		67,61,772.11
			15,09,61,547.94	11,80,01,238.29
Total			40,32,54,769.24	38,56,59,786.49
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	1			

The accompanying notes form an integral part of the financial statements.

As per our report of even date
 For Siddharth Bogawat & Associates
 Chartered Accountants
 Firm Registration No. 131626W



Siddharth Bogawat
 Proprietor
 Membership No. 134134

Pune,

For and on behalf of Board of Directors
 Kranti Industries Limited

Sachin Vora
 (Managing Director)
 DIN-02002468

Sheela Dhawale
 Chief Financial Officer

Pune,



Sumit Vora
 (Director)
 DIN-02002416


Bhavesh Selarka
 Company Secretary

Statement of Profit and Loss for the year ended 31st March, 2018

Particulars	Note No.	Rupees	For the year 2017-18	For the year 2016-17
INCOME :				
Revenue from Operations	22		40,10,16,460.75	23,14,38,762.28
Other Operating Income			2,00,26,404.48	1,11,40,914.12
Other Income	23		9,32,594.85	45,47,920.81
Total Revenue			42,19,75,460.08	24,71,27,597.21
EXPENSES :				
Manufacturing and Operating Expenses				
Cost of Material and Components consumed	24	21,83,67,718.54		10,80,53,333.15
Changes in Inventories of Finished Goods, WIP and Stock-in-trade	25	40,493.39		(46,87,499.61)
Other Manufacturing & Operating Expenses	26	7,62,75,915.68		4,93,53,326.76
Employee benefits expenses	27		29,46,84,127.61	15,27,19,160.30
Sales, administration and Other Expenses	28		5,93,42,437.45	4,33,56,719.11
Finance Cost	29		1,40,38,706.21	77,81,388.51
Depreciation and amortisation expenses	13		2,02,29,179.88	2,16,85,939.56
			2,53,05,157.85	2,83,17,558.90
Total Expenses			41,35,99,609.00	25,38,60,766.38
PROFIT BEFORE TAX			83,75,851.08	(67,33,169.17)
Tax Expenses				
Current tax - MAT		15,96,018.00		
Less - MAT Credit Entitlement		(15,32,565.00)	63,453.00	0.00
Deferred tax			(27,50,542.00)	(4,05,684.66)
Incomet tax expenses relating to prior years			54,929.00	0.00
PROFIT AFTER TAX CARRIED TO BALANCE SHEET			1,10,08,011.08	(63,27,484.51)
Earning per Share - In Rs.			1.56	(0.90)
(Face Value per Equity Share - Rs.10/-)				
SUMMARY OF SIGNIFICANT ACCOUNTING POL	1			

Other Notes referred above are an integral part of Financial Statements.
As per our report of even date.
For Siddharth Bogawat & Associates
Chartered Accountants
Firm Registration No. 131626W

Siddharth
Siddharth Bogawat
Proprietor
Membership No. 134134
Pune,



For and on behalf of Board of Directors
Kranti Industries Limited

Sachin Vora
Sachin Vora
(Managing Director)
DIN-02002468

Sheela Dhawale
Sheela Dhawale
Chief Financial Officer
Pune,



Sumit Vora
Sumit Vora
(Director)
DIN-02002416

Bhavesk Selarka
Bhavesk Selarka
Company Secretary

Cash Flow Statement for the year ended 31st March, 2018

Particulars	2017-18	2016-17
	Rupees	Rupees
1. Cash Flow From Operating Activities:		
Net Profit before tax and extraordinary item	83,75,851.08	(67,33,169.17)
<i>Adjustments for:</i>		
Depreciation and amortization expense	2,53,05,157.85	2,83,17,558.90
Interest & Other Charges	2,02,29,179.88	2,16,85,939.56
(Profit)/Loss on sale of Fixed Assets	(2,69,566.89)	(8,06,311.64)
(Profit)/Loss on sale of Shares	-	-
Dividend Received	-	(64,000.00)
Interest Received/ Other Non Operative Receipts	(3,71,241.80)	(11,70,110.17)
Operating Profit before Working Capital Changes	5,32,69,380.12	4,12,29,907.48
<i>Adjustments for:</i>		
Inventories	(1,01,01,604.02)	(1,33,15,277.52)
Trade Receivables	(2,57,12,649.07)	(1,44,45,690.09)
Short Term Loans & Advances	29,02,337.70	7,46,514.99
Other Current Assets	4,55,781.91	4,17,318.03
Trade Payables	2,10,71,659.74	2,22,50,870.00
Other Current Liabilities	(11,10,560.73)	(8,05,785.33)
Short term Provision	50,01,095.54	34,44,113.00
Cash Generated from Operation	4,57,75,441.19	3,95,21,970.56
Taxes Paid	(1,18,382.00)	-
Net Cash from Operating Activities	4,56,57,059.19	3,95,21,970.56
2. Cash Flow From Investing Activities:		
Fixed Assets Purchased (Net)	(1,10,50,792.15)	(1,01,89,560.58)
Additions to Capital Work In Progress	-	-
Sale of Fixed Assets	7,04,847.00	10,96,666.00
Dividend Received	-	64,000.00
Interest Received/ Other Non Operative Receipts	3,71,241.80	11,70,110.17
<i>Adjustments for:</i>		
Long Term Loans & Advances	54,26,104.06	72,95,200.47
Non Current Investments	(20,000.00)	-
Other Non Current Assets	(47,30,422.98)	9,13,655.00
Long term Provision	(74,054.00)	4,04,133.00
Net Cash from Investing Activities	(93,73,076.27)	7,54,204.06
3. Cash Flow From Financing Activities:		
Proceeds from issue of shares	-	-
Proceeds/(Repayment) of Short term borrowings	(14,32,667.34)	85,32,307.88
Proceeds/(Repayment) of Long term borrowings	(1,41,17,959.53)	(2,75,34,897.66)
Payment of Interim Dividend and tax on it	-	-
Interest & Other Charges paid	(2,02,29,179.88)	(2,16,85,939.56)
Net Cash from Financing Activities	(3,57,79,806.75)	(4,06,88,529.34)
Net Increase/ (Decrease) in Cash & Cash Equivalents	5,04,176.17	(4,12,354.72)
Cash & Cash Equivalents at the beginning of the year	4,44,705.69	8,57,060.41
Cash & Cash Equivalents at the end of the year	9,48,881.86	4,44,705.69
	0.00	0.00
Note:		
1. Components of Cash & Cash Equivalents :		
Particulars		
Cash on Hand	1,43,787.46	1,02,139.87
Balances with Scheduled Banks		
In Current Accounts	8,05,094.40	3,42,565.82
In Deposit Accounts	-	-
Total Cash & Cash Equivalents	9,48,881.86	4,44,705.69

2. The Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Accounting Standard - 3 on Cash Flow Statements.

3. Figures in Brackets represents outflow.

4. The previous year's figures have been regrouped wherever necessary to make them comparable with current year's figures

For Siddharth Bogawat & Associates
Chartered Accountants
Firm Registration No. 131626W

Siddharth Bogawat
Proprietor
Membership No. 134134
Pune,



For and on behalf of Board of Directors
Kranti Industries Limited

Sachin Vora
(Managing Director)
DIN-02002468

Sheela Dhawale
Chief Financial Officer
Pune,

Sumit Vora
(Director)
DIN-02002416

Bhavesh Sejarka
Company Secretary

NOTE 1. Company Background:

Kranti Industries Limited a premier engineering company established in the year 1995. It is a closely held Company engaged in the field of engineering products and caters to the needs of the Automobile manufacturing companies like CNH Industrial (India) Pvt. Ltd., John Deere India Pvt. Ltd., Bharat Gears Limited, Neosym Industry Limited, Graziano Transmission India Pvt. Ltd. Etc.

NOTE 2. Basis of preparation of financial statements and significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of accounting:

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP'), on an accrual basis of accounting under the historical cost convention. The financial statements comply in all material respects with the Accounting standards as specified in an Annexure to the Companies (Accounting Standards) Rules, 2006 (as amended) under Section 133 of the Companies Act, 2013 ('the Act') and rules made thereunder, as applicable.

2.2 Basis of presentation:

The Balance Sheet and the Statement of Profit and Loss, including related notes, are prepared and presented as per the requirements of Schedule III to the Act. All assets and liabilities have been classified and disclosed as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III. Based on the nature of products and the time between the acquisition of assets for processing and their realization into cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities. Cash Flow Statement has been prepared and presented as per the requirements of Accounting Standard (AS) - 3 "Cash Flow Statements"

2.3 Classification as per Companies (Accounting Standard) Rules, 2006

The Company is a Small and Medium Sized Company (SMC) as defined in the General instructions to Companies (Accounting Standards) Rules, 2006. Accordingly, the Company has complied with the Accounting Standards as applicable to SMC.

2.4 Basis of measurement:

The financial statements have been prepared on a historical cost convention except for the following. Defined benefit plans – plan assets measured at fair value

2.5 Use of estimates:

In preparation of the financial statements, the Company is required to make judgments, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods affected. Significant judgments and estimates about the carrying amount of assets and liabilities include useful lives of tangible and intangible assets, impairment of tangible assets, intangible assets including goodwill, investments, employee benefits and other provisions and recoverability of deferred tax assets.



2.6 Tangible Fixed assets:

Fixed Assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the assets to its working condition for the intended use. The manufacturing costs of internally generated assets comprise direct cost and attributable overheads.

Capital Work-in-progress comprises of cost of fixed assets that are not yet ready for their intended use as at the balance sheet date.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

2.7 Depreciation of tangible fixed assets:

Depreciation is calculated using the Written down value method to allocate their cost, net of their residual values, over their estimated useful lives as prescribed in Part C of Schedule II of the Companies Act, 2013 except in respect of certain assets listed below where the useful life is estimated different from prescribed rate based on internal assessment or independent technical evaluation carried out by external valuers. The Management believes that the useful lives as given below represent the period over which management expects to use these assets

Class of Assets	Useful life as per	
	Management estimate in years	Schedule II of the Companies act, 2013
Plant and Machinery	20	15
Factory Building	40	30
Furniture and fixtures	10	10
Electrical Installation	10	10
Office equipment	5	5
Computer	3	3
Tools and Instruments	10	10
Motor Vehicle	8	8

The residual values are not more than 5% of the original cost of the asset. The asset's residual values and useful lives are reviewed and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposal are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

Intangible Assets:

Intangible assets acquired separately are measured on initial recognition cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses.



2.8 Impairment of Assets :

Fixed assets are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognized in the Statement of Profit and Loss if the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is the higher of an asset's net selling price and value in use. An impairment loss recognized on asset is reversed when the conditions warranting impairment provision no longer exists.

2.9 Investments:

Investments which are readily realizable and intended to be held or not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

The company holds long term investments which are carried at cost, in financial statements.

2.10 Inventories :

Inventories of raw materials including stores, spares and consumables, packing materials, semi-finished goods , work-in-progress, finished goods are valued at the lower of cost and estimated net realizable value. Cost is determined on weighted average basis.

The cost of work-in-progress, semi-finished goods and finished goods includes the cost of material, labour and proportion of manufacturing overheads.

2.11 Revenue recognition on contracts:

Revenue comprises of Sale and Service Income, Interest and dividend. Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and that the revenue can be reliably measured. The company collects excise duty, service tax, value added taxes (VAT) and Goods and service tax GST as applicable on behalf of the government and therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue. Revenue is disclosed, net of trade discounts and excise duty.

Sale of goods

Sales are recognized when products are delivered to the customer and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specified location, the risks of obsolescence and loss have been transferred to the customer and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed or the Company has objective evidence that all criteria for acceptance have been satisfied.

Due from customers, if any are measured at the selling price of the work performed. Prepayments from customers are recognized as liabilities.

Sale of services

i) Timing of recognition Revenue from rendering of services is recognized in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognized based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided (percentage of completion method). Job-work revenues are accounted as and when such services are rendered.

ii) Measurement of revenue Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

Interest Income:

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

Dividend:

Dividend income from investments is recognized when the right to receive payment is established.



2.12 Foreign currency transactions:

The reporting currency of the company is Indian rupee.

Foreign currency transactions are recorded on initial recognition in the reporting currency, using the exchange rate at the date of the transaction. At each Balance Sheet date foreign currency monetary items are reported using the closing rate. Non-monetary items, carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

Exchange differences that arise on the settlement of monetary items or on reporting of monetary items at each balance sheet date at closing rate are :

1. Adjusted in the cost of the fixed assets to which the exchange differences relate, provided the assets are acquired from outside India.
2. Recognised as income or expenses in the period in which they arise, in case other than (1) above.

In respect of transaction covered by foreign exchange contracts, the difference between the contract rate and the spot rate on the date of the transaction is charged to the Statement of Profit and Loss over the period of the contract.

2.13 Leases

Lease arrangements where risks and rewards incidental to ownership of an asset substantially vests with lessor are classified as operating lease. Rental expenses on assets obtained under operating lease arrangements are recognized in the Statement of Profit and Loss on straight line basis over the lease period.

2.14 Borrowing cost:

Borrowing cost include interest, commitment charges, amortization of ancillary costs, amortization of discounts/premium related to borrowings, finance charges in respect of assets acquired on finance lease and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to interest costs.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of cost of such asset till such time the asset is ready for its intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred.

2.15 Taxes on income:

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income tax act 1961, and based on the expected outcome of assessments.

Deferred Tax

Deferred tax assets and liabilities are recognized subject to the consideration of prudence, on timing differences between accounting income and taxable income that originate in one period and are capable of reversal in one or more subsequent periods and are quantified using enacted / substantively enacted tax rates as at the balance sheet date.

The carrying amount of Deferred Tax Assets / liabilities is reviewed at each balance sheet date.

Deferred tax assets relating to an unabsorbed depreciation and business losses are recognized and carried forward to the extent that there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

2.16 Provisions, contingent liabilities and contingent Assets.

A provision is recognized when there is 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. Provisions are not discounted to their present value and are determined based on best estimates required to settle the obligation at the balance sheet date.



Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimation

Contingent liabilities as defined in Accounting Standard 29 are disclosed by way of notes to accounts. Contingent Assets are neither recognized nor disclosed in the Financial Statements.

2.17 Cash and Cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short term investments which are available on call or maturity of a year or less.

2.18 Employee Benefits

Gratuity obligations

The Company operates defined benefit plan for its employees viz. Gratuity. The liability or asset recognized in the balance sheet in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

Provident Fund

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due.

2.19 Product Development

During the previous year the Company has developed various new clients and their product development took substantial time on various machines and considerable manpower was dedicated towards these developments. Many of the items required trial run till the approval of the product to the satisfaction of customer.

The expenses towards these developments are calculated taking into consideration actual efforts taken and have been concluded monetarily to the best of knowledge of the management. The benefit of these shall be spread over a period over a considerable period of time, hence all the expenditure relating to it have been capitalized. These amounts are written off on the basis of actual benefit accrued in the years to come.



Notes on Financial Statements for the period ended 31st March, 2018

NOTE 3 : SHARE CAPITAL

Particulars	As at 31st March, 2018	As at 31st March, 2017
	Rupees	Rupees
Authorised Share Capital :		
1,00,00,000 Equity shares of Rs.10/- each.	10,00,00,000.00	10,00,00,000.00
Issued, subscribed and Paid up :		
70,50,000 Equity shares of Rs.10/- each fully paid up	7,05,00,000.00	7,05,00,000.00
Total Rs.	7,05,00,000.00	7,05,00,000.00

3.1 Reconciliation of equity shares outstanding at the beginning and at the end of the reporting period

Particulars	31st March, 2018		31st March, 2017	
	No. of Shares	Rs.	No. of Shares	Rs.
At the beginning of the year	70,50,000	7,05,00,000.00	70,50,000	7,05,00,000.00
Add : Issued during the year	0.0	0.00	0	0
Outstanding at the end of the year	70,50,000	7,05,00,000.00	70,50,000	7,05,00,000.00

3.2 Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

3.3 Aggregate number of bonus shares issued, share issued for consideration other than cash during the period of five years immediately preceding the reporting date :

Particulars	31st March, 2018	31st March, 2017
Equity shares allotted as fully paid bonus shares by capitalisation of securities premium and General Reserves in five years immediately preceding the reporting date (200000 shares of Rs.100/- each and 2350000 shares of Rs.10/- each.)	25,50,000.00	25,50,000.00

3.4 Details of Shareholders holding more than 5% shares in the company

Name of the Shareholder	31st March, 2018		31st March, 2017	
	No. of Shares	% holding	No. of Shares	% holding
Mrs. Basanti K. Vora	7,50,030	10.64%	7,50,030	10.64%
Mrs. Indubala S. Vora	16,86,700	23.92%	16,86,700	23.92%
Mr. Sachin S. Vora	15,90,000	22.55%	15,90,000	22.55%
Mrs. Sapana Gaadiya	3,75,000	5.32%	3,75,000	5.32%
Mr. Sumeet S. Vora	15,30,000	21.70%	15,30,000	21.70%
	59,31,730		59,31,730	



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Notes on Financial Statements for the period ended 31st March, 2018

NOTE 4 : RESERVES AND SURPLUS

Particulars	As at	As at
	31st March, 2018	31st March, 2017
	Rupees	Rupees
General Reserve		
	30,00,000.00	30,00,000.00
Surplus in the Statement of Profit and Loss		
Balance as per last Financial statements	4,71,49,191.51	5,32,83,083.02
Add : Prior Period Adjustment	0.00	1,93,593.00
Add : Profit/ (Loss) for the period	1,10,08,011.08	(63,27,484.51)
Balance available for appropriation	5,81,57,202.59	4,71,49,191.51
Less : Appropriation	0.00	0.00
	5,81,57,202.59	4,71,49,191.51
Total Rs.	6,11,57,202.59	5,01,49,191.51

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Notes on Financial Statements for the period ended 31st March, 2018
NOTE 5 : LONG TERM BORROWINGS

Particulars	Non-current portion		Current maturities	
	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
SECURED				
(i) Term Loans from Bank - Secured				
HDFC : TERM LOAN A/C NO. 81214831	67,69,474.90	1,55,86,567.92	87,11,568.00	66,03,655.03
HDFC : TERM LOAN A/C NO. 81214829	39,21,592.73	72,08,660.47	32,40,912.00	23,11,367.81
HDFC : TERM LOAN A/C NO. 81211087	0.00	35,37,703.87	33,19,881.98	54,74,008.94
HDFC : TERM LOAN A/C NO. 81204804	0.00	29,52,962.18	29,11,935.92	71,49,556.59
HDFC : TERM LOAN A/C NO. 81214825	0.00	36,48,967.49	36,03,910.72	72,53,280.20
HDFC : TERM LOAN A/C NO. 81260322	37,36,285.20	67,22,035.10	29,42,976.00	20,80,735.98
HDFC : TERM LOAN A/C NO. 81600701	58,52,172.60	79,26,803.67	52,78,908.00	70,97,124.66
SCB : TERM LOAN A/C NO. 51294176	1,12,07,063.33	0.00	15,48,789.00	0.00
COSMOS : A/C NO. 00580152189 VEHICLE LOAN	12,45,156.00	0.00	7,54,844.00	0.00
Subtotal - Secured Loans	3,27,31,744.76	4,75,83,700.70	3,23,13,725.62	3,79,69,729.21
UNSECURED				
Loans and Advances from related parties	6,43,52,000.00	5,79,62,000.00	0.00	0.00
Subtotal - Unsecured Loans	6,43,52,000.00	5,79,62,000.00	0.00	0.00
Total Rs.	9,70,83,744.76	10,55,45,700.70	3,23,13,725.62	3,79,69,729.21

- 5.1 a) Term Loan Account (No. 81214831) - loan is availed from HDFC bank for Plant and Machinery. This loan is secured by way of first mortgage /charge on the plant and machinery and mortgage of immovable property situated at Gat No. 267/B/1, Pirangut, Pune 412108
- b) Term Loan Account (No. 81214829) - loan is availed from HDFC bank for Plant and Machinery. This loan is secured by way of first mortgage /charge on the plant and machinery and mortgage of immovable property situated at Gat No. 267/B/1, Pirangut, Pune 412108
- c) Term Loan Account (No. 81211087) - loan is availed from HDFC bank for Plant and Machinery. This loan is secured by way of first mortgage /charge on the plant and machinery and mortgage of immovable property situated at Gat No. 267/B/1, Pirangut, Pune 412108
- d) Term Loan Account (No. 81204804) - loan is availed from HDFC bank for Plant and Machinery. This loan is secured by way of first mortgage /charge on the plant and machinery and mortgage of immovable property situated at Gat No. 267/B/1, Pirangut, Pune 412108
- e) Term Loan Account (No. 81214825) - loan is availed from HDFC bank for Plant and Machinery. This loan is secured by way of first mortgage /charge on the plant and machinery and mortgage of immovable property situated at Gat No. 267/B/1, Pirangut, Pune 412108
- f) Term Loan Account (No. 81260322) - loan is availed from HDFC bank for Plant and Machinery. This loan is secured by way of first mortgage /charge on the plant and machinery and mortgage of immovable property situated at Gat No. 267/B/1, Pirangut, Pune 412108
- g) Term Loan Account (No. 81600701) - loan is availed from HDFC bank for Plant and Machinery. This loan is secured by way of first mortgage /charge on the plant and machinery and mortgage of immovable property situated at Gat No. 267/B/1, Pirangut, Pune 412108
- g) Term Loan Account 51294176 - loan is availed from Standard Chartered bank as working capital requirement. This loan is secured by way of first mortgage /charge on the immovable property of company situated at Flat at Kumar Santosh, Gultekadi, Pune and Flat owned by Director Situated at Kumar Santosh, Gultekadi, Pune



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Notes on Financial Statements for the period ended 31st March, 2018

NOTE 6 : DEFERRED TAX LIABILITY

Particulars	As at	As at
	31st March 2018	31st March 2017
	Rupees	Rupees
Deferred Tax Liability		
Related to Fixed Assets	1,02,90,030.25	1,29,03,274.25
Related to Gratuity Disallowances	(1,37,298.00)	0.00
Total	1,01,52,732.25	1,29,03,274.25

As required by Accounting Standard (AS22), Taxes on Income prescribed by Companies (Accounting Standards) Amendment rules, 2006, the company has recognised deferred taxes, which result from timing differences between book profits and tax profits for the period.

NOTE 7 : LONG TERM PROVISIONS

Particulars	As at	As at
	31st March 2018	31st March 2017
	Rupees	Rupees
Provision for Employee Benefits		
Provision for Gratuity	8,30,020.00	9,04,074.00
Total Rs.	8,30,020.00	9,04,074.00

NOTE 8 : SHORT TERM BORROWINGS

Particulars	As at	As at
	31st March 2018	31st March 2017
	Rupees	Rupees
SECURED		
(i) Working Capital loan from Bank		
HDFC Bank Limited - Cash Credit	3,23,18,487.95	3,22,32,116.48
(ii) BILLS DISCOUNTING FACILITY		
HDFC Bank Limited - Bill Discounting	2,17,49,995.80	2,32,69,034.61
Total Rs.	5,40,68,483.75	5,55,01,151.09

Working capital loan is secured by hypothecation of present and future stock of raw materials, stock-in-process, finished goods, stores and spares, book debts, outstanding monies, receivables, claims, bills, materials in transit, etc.

NOTE 9 : CURRENT MATURITIES OF LONG TERM BORROWINGS

Particulars	As at	As at
	31st March 2018	31st March 2017
	Rupees	Rupees
Secured Term Loans from Banks		
HDFC : TERM LOAN A/C NO. 81214831	87,11,568.00	66,03,655.03
HDFC : TERM LOAN A/C NO. 81214829	32,40,912.00	23,11,367.81
HDFC : TERM LOAN A/C NO. 81211087	33,19,881.98	54,74,008.94
HDFC : TERM LOAN A/C NO. 81204804	29,11,935.92	71,49,556.59
HDFC : TERM LOAN A/C NO. 81214825	36,03,910.72	72,53,280.20
HDFC : TERM LOAN A/C NO. 81260322	29,42,976.00	20,80,735.98
HDFC : TERM LOAN A/C NO. 81600701	52,78,908.00	70,97,124.66
SCB : TERM LOAN A/C NO. 51294176	15,48,789.00	0.00
COSMOS : A/C NO. 00580152189 VEHICLE LOAN	7,54,844.00	0.00
Total Rs.	3,23,13,725.62	3,79,69,729.21

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Notes on Financial Statements for the period ended 31st March, 2018

NOTE 10 : TRADE PAYABLES

Particulars	As at	As at
	31st March 2018	31st March 2017
	Rupees	Rupees
SUNDRY CREDITORS		
Micro, Small and Medium Enterprises	0.00	0.00
Others	6,24,66,722.74	4,13,95,063.00
Total Rs.	6,24,66,722.74	4,13,95,063.00

The details of amounts outstanding to Micros, Small and Medium Enterprises based on available information with the company is as under :

Particulars	As at	As at
	31st March 2018	31st March 2017
	Rupees	Rupees
Principal amount due and remaining unpaid	0.00	0.00
Interest due on above and the unpaid interest	0.00	0.00
Interest paid	0.00	0.00
Payment made beyond the appointed day during the year	0.00	0.00
Interest due and payable for the period of delay	0.00	0.00
Interest accrued and remaining unpaid	0.00	0.00
Amount of further interest remaining due and payable in succeeding years	0.00	0.00
Total Rs.	0.00	0.00

NOTE 11 : OTHER CURRENT LIABILITIES

Particulars	As at	As at
	31st March 2018	31st March 2017
	Rupees	Rupees
Interest accrued on Term Loans from bank	3,48,685.00	6,03,080.00
Deposits/ Retention Money Payable	45,515.00	45,515.00
Advance received from Customers	0.00	8,56,165.73
Total Rs.	3,94,200.00	15,04,760.73

NOTE 12 : SHORT TERM PROVISIONS

Particulars	As at	As at
	31st March 2018	31st March 2017
	Rupees	Rupees
Provisions :		
Income Tax Provision	35,27,780.00	40,56,267.00
Profession Tax	24,150.00	23,550.00
Provident Fund	3,74,391.00	3,55,546.00
Salary and Wages	29,13,885.00	26,40,525.00
Audit Fees Payable	3,17,124.00	3,98,124.00
Provision for Electricity Charges	20,44,825.00	18,12,830.00
GST Payable	50,85,782.54	0.00
Total Rs.	1,42,87,937.54	92,86,842.00

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Notes on Financial Statements for the period ended 31st March, 2018

Notes 13 : Fixed Assets

Particulars	As at 31st March 2018 Rupees	As at 31st March 2017 Rupees
Tangible		
Fixed Assets Gross	57,13,13,765.03	56,55,39,564.88
Less Depreciation Fund	37,95,35,419.21	35,75,37,647.96
	19,17,78,345.83	20,80,01,916.92
Intangible		
Fixed Assets Gross	9,95,395.00	29,500.00
Less Depreciation Fund	69,162.58	14,768.17
	9,26,232.42	14,731.83
Capital Work in Progress	6,22,424.00	0.00
Total Rs.	19,33,27,002.25	20,80,16,648.75

NOTE 14 : INVESTMENTS

Particulars	As at 31st March 2018 Rupees	As at 31st March 2017 Rupees
NON-CURRENT INVESTMENTS		
Unquoted Shares - Cosmos Co-operative Bank Limited	8,20,000.00	8,00,000.00
Equity Shares of Associate Company - Unquoted fully paid up		
Wonder Precision Private Limited	2,77,14,113.00	2,77,14,113.00
TRADE INVESTMENTS	0.00	0.00
Total Rs.	2,85,34,113.00	2,85,14,113.00

Above-mentioned are Long term investments and carried at cost.

NOTE 15 : LONG TERM LOANS AND ADVANCES

Particulars	As at 31st March 2018 Rupees	As at 31st March 2017 Rupees
Security Deposits		
Secured and considered good	0.00	0.00
Unsecured and considered good	15,99,094.47	14,72,038.04
Loans and advances to related parties Wonder Precision Pvt Ltd	15,00,000.00	25,00,000.00
Advance against Lease	1,49,55,801.00	1,41,55,801.00
Product Development	0.00	66,03,295.49
Balance with Income Tax Authorities	61,14,222.60	63,96,652.60
MAT Credit Entitlement	15,32,565.00	0.00
Total Rs.	2,57,01,683.07	3,11,27,787.13

NOTE 16 : OTHER NON-CURRENT ASSETS

Particulars	As at 31st March 2018 Rupees	As at 31st March 2017 Rupees
Advance to Creditors	47,30,422.98	0.00
Total Rs.	47,30,422.98	0.00

NOTE 17 : INVENTORIES

Particulars	As at 31st March 2018	As at 31st March 2017
Raw Materials, Components, Consumables	4,39,35,242.04	3,37,93,144.63
Work-in-progress, Stores and Spares	1,36,84,445.22	1,37,24,938.61
Total Rs.	5,76,19,687.26	4,75,18,083.24

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Notes on Financial Statements for the period ended 31st March, 2018

NOTE 18 : TRADE RECEIVABLES

Particulars	As at 31st March 2018	As at 31st March 2017
	Rupees	Rupees
Outstanding for a period exceeding six months from the date they are due for payment.		
Secured and considered good	0.00	0.00
Unsecured and considered good	0.00	0.00
Other Receivables		
Secured and considered good	0.00	0.00
Unsecured and considered good	8,60,36,042.62	6,03,23,393.55
Total Rs.	8,60,36,042.62	6,03,23,393.55

NOTE 19 : CASH AND BANK BALANCES

Particulars	As at 31st March 2018	As at 31st March 2017
	Rupees	Rupees
Cash on Hand	1,43,787.46	1,02,139.87
Balance with Bank		
Current accounts	8,05,094.40	3,42,565.82
Other Bank Balances -		
Deposits with maturity of less than 3 months	0.00	0.00
Total Rs.	9,48,881.86	4,44,705.69

NOTE 20 : SHORT TERM LOANS AND ADVANCES

Particulars	As at 31st March 2018	As at 31st March 2017
	Rupees	Rupees
Loans and advances to suppliers		
Advance to Creditors	0.00	0.00
Unsecured and considered good		
Loans to Employees		
Unsecured and considered good	50,946.00	8,086.00
Balance with Collectorate and Central Excise and Customs	0.00	27,25,745.70
Service tax receivable	0.00	2,19,452.00
Total Rs.	50,946.00	29,53,283.70

NOTE 21 : OTHER CURRENT ASSETS

Particulars	As at 31st March 2018	As at 31st March 2017
	Rupees	Rupees
MVAT Balance	41,56,979.20	41,62,704.82
Prepaid Expenses	21,49,011.00	25,99,067.29
Total Rs.	63,05,990.20	67,61,772.11

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NOTE 22 : REVENUE FROM OPERATIONS

Particulars	For the year 2017-18	For the year 2016-17
	Rupees	Rupees
Sales and Labour charges	43,44,34,096.77	26,48,56,398.30
Less: Excise Duty	2,61,33,924.00	2,61,33,924.00
Less: VAT	72,83,712.02	72,83,712.02
	40,10,16,460.75	23,14,38,762.28
Other Operational Income		
Sale of Scrap	1,96,00,594.50	1,08,89,366.60
Cash Discount received	2,08,489.67	75,013.21
Transport Charges Recovered	2,17,320.31	1,76,534.31
Total Rs.	42,10,42,865.23	24,25,79,676.40

NOTE 23 : OTHER INCOME

Particulars	For the year 2017-18	For the year 2016-17
	Rupees	Rupees
Interest		
Interest on Deposits	3,26,903.47	11,68,533.84
Others		
Dividend	0.00	64,000.00
Difference in Foreign Exchange	44,338.33	1,576.33
Excise Duty Credit	0.00	25,07,499.00
Profit on Sale of Assets	2,69,566.89	8,06,311.64
Liability Written Back	2,91,786.16	0.00
Total Rs.	9,32,594.85	45,47,920.81

NOTE 24 : COST OF MATERIALS CONSUMED

Particulars	For the year 2017-18	For the year 2016-17
	Rupees	Rupees
Cost of goods Sold		
Opening Stock of Raw Material and Consumables	3,37,93,144.63	2,51,65,366.72
Add: Purchases during the year	22,70,92,329.55	11,59,83,184.06
	26,08,85,474.18	14,11,48,550.78
Less: Freight & Octroi	14,17,486.40	6,97,927.00
Closing Stock of Raw Material and Consumables	4,39,35,242.04	3,37,93,144.63
Material Consumed	21,83,67,718.54	10,80,53,333.15
Total Rs.	21,83,67,718.54	10,80,53,333.15

NOTE 25 : CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

Particulars	For the year 2017-18	For the year 2016-17
	Rupees	Rupees
Opening Work-in-Progress	1,37,24,938.61	90,37,439.00
Less: Closing Work-in-Progress	1,36,84,445.22	1,37,24,938.61
Total Rs.	40,493.39	(46,87,499.61)



Notes on Financial Statements for the period ended 31st March, 2018**NOTE 26 : OTHER MANUFACTURING AND OPERATING EXPENSES**

Particulars	For the year 2017-18	For the year 2016-17
	Rupees	Rupees
Power and Fuel	2,37,45,246.55	1,80,64,479.79
Repairs to Machinery	1,49,30,221.58	87,50,953.28
Job work and labour charges	1,48,00,018.92	62,99,393.31
Lease Rental	1,62,12,964.40	1,24,48,978.33
Other manufacturing expenses		
- Packing Material	65,73,115.23	37,89,522.05
- MVAT and Excise Duty paid	14,349.00	0.00
Total Rs.	7,62,75,915.68	4,93,53,326.76

NOTE 27 : EMPLOYEE BENEFITS EXPENSES

Particulars	For the year 2017-18	For the year 2016-17
	Rupees	Rupees
Salaries and Wages	4,90,90,498.83	3,51,15,706.99
Bonus and Incentives	21,02,472.00	14,16,854.00
Gratuity paid	8,04,333.00	5,82,193.00
P.F. Contribution and etc.	19,06,343.00	16,02,925.00
Esic : Employer'S Contribution	5,78,726.00	3,81,798.00
Welfare Fund Deducted 7250	6,048.00	6,408.00
Staff Welfare	4,34,766.62	1,52,876.62
Directors Remuneration	44,19,250.00	40,97,957.50
Total Rs.	5,93,42,437.45	4,33,56,719.11

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Notes on Financial Statements for the period ended 31st March, 2018
NOTE 28 : SALES, ADMINISTRATION AND OTHER EXPENSES

Particulars	For the year 2017-18	For the year 2016-17
	Rupees	Rupees
Advertisement	0.00	1,00,350.00
Audit Fees	2,30,775.00	3,00,750.00
Conveyance and Travelling	12,29,240.11	8,64,818.74
Guest House Expenses	65,528.00	48,169.00
Insurance	6,69,332.00	5,15,080.15
Interest paid on Govt. Dues	359.00	800.00
Legal and Professional Fees	13,02,230.00	5,83,298.00
Legal Expenses	54,173.00	1,15,942.00
Office Expenses	14,54,089.82	13,38,376.60
Postage and Courier	35,845.10	37,508.00
Printing and Stationary	3,75,000.64	3,10,986.80
Profession Tax	2,500.00	2,500.00
Rates and Taxes	2,60,327.29	1,80,667.00
Repairs and Maintenance	5,51,161.19	6,31,974.97
Sales Promotion, entertainment and Ceremony expenditure	55,127.00	75,441.00
Security Charges	12,00,933.00	7,75,971.00
Housekeeping Expenses	8,22,924.98	11,40,395.00
Subscription and contribution	66,681.00	68,230.00
Transport Charges	49,23,362.48	0.00
Round Off	67.02	384.25
Telephone Expenses	2,44,454.58	2,99,121.00
Water Charges	4,94,595.00	3,90,625.00
Total Rs.	1,40,38,706.21	77,81,388.51

NOTE 29 : FINANCE COSTS

Particulars	For the year 2017-18	For the year 2016-17
	Rupees	Rupees
Interest on Secured Loans		
Interest on Term Loan	74,98,961.47	1,07,73,708.79
Interest on Cash Credit, Bill Discounting	73,26,720.04	55,60,300.96
Interest on Unsecured Loans		
Interest on Deposits	52,26,430.00	52,16,047.00
Bank Charges	1,77,068.37	1,35,882.81
Total Rs.	2,02,29,179.88	2,16,85,939.56

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Other Notes to Accounts:**30. Related party disclosure:**

30.1.1 Names of related parties and related party relationship Relationships

- a) Category I - Fellow Subsidiary:
 Wonder Precision Private Limited
- b) Category II - Key Managerial Persons (KMP)
 Mr. Sachin Vora (Managing Director)
 Mr. Sumit Vora (Director)
 Smt. Indubala Vora (Director)
 Mrs Sheela Dhawale (Chief Financial Officer)
 Mr. Bhavesh Selarka (Company Secretary)

30.1.2 Transactions with Related parties :-

Transactions with Fellow Subsidiary:

The company acquired Wonder Precision Private Limited, Pune. In case of which the transactions are as follows:

Nature of Transactions	Year ended 31/03/2018	Year ended 31/03/2017
Purchase of Material and Job-work charges	723,033.00	537,941.00
Sales	0.00	0.00
Advance Given	0.00	500,000.00
Advance Returned	1,000,000.00	15,000,000.00
Interest Earned	2,08,767.00	1,065,617.00

Transactions with Key Managerial Persons (KMP):

For the Financial year 2017-18

Particulars	Nature of Payment			
	Interest	Salary	Deposits Acceptance	Deposits Repayments
Key Managerial Personnel				
Sachin Vora	1,260,000.00	2386548.00	0.00	0.00
Sumit Vora	588,416.00	2386548.00	3,700,000.00	500,000.00
Indubala S Vora	694,804.00	0.00	300,000.00	2,830,000.00
Sheela Dhavale	244,230.00	896715.00	320,000.00	-
Bhavesh Selarka		319050.00		
Relatives of Key Managerial Personnel				
	2,475,982.00	1385049.00	79,25,000.00	26,25,000.00
Gross Transaction Value	52,63,432.00	73,73,910.00	1,22,45,000.00	59,55,000.00



Previous Years figures – for the financial year 2016-17

Particulars	Nature of Payment			
	Interest	Salary	Deposits Acceptance	Deposits Repayments
Key Managerial Personnel				
Sachin Vora	1,170,224.00	2157923.00	3,050,000.00	0.00
Sumit Vora	2,530,476.00	2157923.00	2,050,000.00	2,000,000.00
Indubala S. Vora	983,500.00	0.00	400,000.00	1,380,000.00
Sheela Dhavale	208,301.00	659500.00	1,800,000.00	-
Bhavesh Selarka		224745.00		
Relatives of Key Managerial Personnel	2,174,815.00		3,400,000.00	193,000.00
Gross Transaction Value	7,067,316.00	5,200,091.00	10,700,000.00	3,573,000.00

Balances outstanding

Particulars	Balance as on 31.03.2018	Balance as on 31.03.2017
Fellow Subsidiaries :-		
Wonder Precision Pvt. Ltd.		
Advance Given	15,00,000.00	25,00,000.00
Key Managerial Persons		
Sachin Vora	1,57,50,000.00	1,57,50,000.00
Sumit Vora	97,00,000.00	65,00,000.00
Indubala S. Vora	87,15,000.00	1,12,45,000.00
Sheela Dhavale	21,20,000.00	18,00,000.00

- Related party relationship is as identified by the Company and relied upon by the Auditors, No amounts have been written off/back and provided for in respect of related party during the year.



31 Earnings Per Share (EPS) –

The Earnings per share calculated as per AS-20 is shown below:

Earnings per Share	March 31, 2018 Rupees	March 31, 2017 Rupees
Profit/(Loss) Attributable to Shareholders	1,10,08,011.08	(6,327,484.51)
No of Equity Shares	7,050,000	7,050,000
Basic and Diluted Earnings Per Share	1.56	(0.90)

32 Contingent Liabilities:

As per the Information provided to us there is no contingent liability as on the date.

Pending Litigation:-

Sr. No	Act	Nature of Dues	Amount	Period to which amounts Relates	Forum where the dispute is pending
1.	Income Tax Act	Income Tax Dues	14,41,660.00	A.Y 2015-16	Commissioner (Appeals) - Pune

33 Value of imports calculated on CIF basis:

Particulars	During F.Y 2017-18	During F.Y 2016-17
Capital Goods	14,89,119.00	0.00
Raw Material	0.00	0.00

34 Expenditure in Foreign Currency:

Particulars	March 31, 2018 Rupees	March 31, 2017 Rupees
Spares for Repairs	2,16,077.42	12,52,250.29
Travelling Expense	2,29,406.00	64,028.00
Advance for Capital Goods	47,60,800.00	1278456.00



35 Earnings in Foreign Currency:

The Earning in Foreign Currency is NIL.

36 Managerial Remuneration

Managerial Remuneration paid during the period is as follows:

Particulars	March 31, 2018 Rupees	March 31, 2017 Rupees
Director's Remuneration, (Including Incentive and Bonus)	4,773,093.00	4,315,846.00
Interest on Loan	2,543,220.00	4,684,200.00
Total	7,316,313.00	9,000,046.00

37 Deferred Tax :

In accordance with Accounting Standard 22, 'Accounting for Taxes on Income', the Company has a net deferred tax liability, and it has been recognized properly in the accounts.

Particulars	March 31, 2018 Rupees	March 31, 2017 Rupees
Deferred Tax Liability relating to Depreciation	1,02,90,030.25	1,29,03,274.25
Deferred tax Asset relating to Gratuity Disallowance	1,37,298.00	0.00
Net Deferred Tax Asset / (-) Liability	(1,01,52,732.25)	(12,903,274.25)

38 Payment to Auditors :

Particulars	March 31, 2018 Rupees	March 31, 2017 Rupees
Tax and Statutory Audit	1,00,000.00	100,000.00
MVAT Auditor	20,000.00	20,000.00
As advisor, or in any other capacity,	1,80,000.00	0.00
Total	3,00,000.00	1,20,000.00

Mentioned Amounts are exclusive of Indirect Taxes



39 Value of Imported and Indigenous raw material consumed :

Particulars	31/03/2018		31/03/2017	
	% of Total Consumption	Value Rupees	% of Total Consumption	Value Rupees
<u>Raw Material</u>				
Imported	0%	0.00	0%	0.00
Indigenously procured	100%	216,990,725.53	100%	93,630,467.54
	100%	216,990,725.53	100%	93,630,467.54
<u>Spare Parts and Consumables</u>				
Imported	12%	1,660,119.04	22%	1,252,250.29
Indigenously procured	88%	12,153,083.12	78%	4,450,513.43
Total	100%	13,813,202.16	100%	5,702,763.72

40 Employee Benefits :

Defined contribution plans

The Company has certain defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per local regulations. The contributions are made to provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further neither contractual nor any constructive obligation. Contributions are made to employee's family pension fund in India for employees as per local regulations. The contributions are made to provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further neither contractual nor any constructive obligation.

The Company has recognized the following amount in the Statement of Profit and Loss for the year.

Particulars	March 31, 2018 Rupees	March 31, 2017 Rupees
Contribution to Employees Provident Fund	19,06,343.00	16,02,925.00
Contribution to other Funds (ESIC, Labour welfare funds)	5,84,774.00	5,34,674.62
Total	24,91,117.00	21,37,599.62

Post-employment obligations

Gratuity

The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to fund managed by Life Insurance Corporation of India. Contributions are made as per the working by LIC of India. The amounts recognized in the balance sheet and the movements in the net defined benefit obligation over the year are as follows



ASSUMPTIONS :

	As of 31 03 2017	As of 31 03 2018
Mortality table	IALM(2006-08) ult	IALM(2006-08) ult
Discount rate	7.60%	7.90%
Rate of increase in compensation levels	5.00%	5.00%
Expected rate of return on plan assets	8.25%	8.00%
Expected average remaining working lives of employees (in years)	19.51 *	19.15 *
Withdrawal Rate		
Age upto 30 years	3.00%	3.00%
Age 31 - 40 years	2.00%	2.00%
Age 41 - 45 years	2.00%	2.00%
Age above 45 years	1.00%	1.00%

* It is actuarially calculated term of the plan using probabilities of death, withdrawal and retirement.

- 41** The Company has not received any intimation from "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and, hence, disclosures, if any, relating to amounts unpaid as at the yearend together with interest paid / payable as required under the said Act have not been given.
- 42** Other notes as required by Schedule III of the Act are either nil or not applicable hence not disclosed.
- 43** Previous period figures have been regrouped, recast / rearranged wherever necessary in order to conform to the current year's presentation..



