

Anil Bansal & Associates

Chartered Accountants
1001, IJMIMA Complex,
Link Road, Malad (West),
Mumbai – 400064.

Independent Auditor's Report

To,

The Members of Oriental Foundry Private Limited

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

The management and Board of Directors of the company are responsible for the matters in the section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these financial statement 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 Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility includes maintenance of adequate accounting records in accordance with the provision 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 are 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 these 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 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.

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 financial 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 Company's Management and Board of Directors, 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 of the state of affairs of the company as at 31st March 2017, and its profit and its cash flows 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 sub-section (11) of section 143 of the Act, we give in the 'Annexure-A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2 As required by Section 143(3) of the Act, we further 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 appears from our examination of those books;
 - c. The Balance Sheet, the Profit and Loss Statement, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid financial statements comply with applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of written representations received from the directors as on 31st March, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017, from being appointed as a director in terms of Section 164(2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- 3 In our opinion and to the best of our information and according to the explanation given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
 - (i) The Company does not have any pending litigations which would impact its financial position as referred in Note 33 to the financial statements.
 - (ii) The company did not have any long-term contracts including derivative contracts during the year under report.
 - (iii) There has not been an occasion in case of the company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise.

For Anil Bansal & Associates
Chartered Accountants
Firm registration number:100421W

Anil Bansal
Proprietor
Membership no. 043918
Place: Mumbai
Date:



25 MAY 2017

Annexure 'A' referred to in paragraph 1 under the heading Report on other legal and regulatory requirements" of our report of even date.

ORIENTAL FOUNDRY PRIVATE LIMITED

- i. a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b. All fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provide for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- c. The title deeds of immovable properties recorded as fixed assets in the books of account of the Company are held in the name of Company.
- ii. As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act.
- iv. In our opinion and according to the information and explanations given to us, the Company has not granted any loans, makes investments and providing guarantees and securities and hence reporting under clause 3(iv) of the Order is not applicable.
- v. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2017 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- vi. We have been informed by the management that, maintenance of cost record under section 148 (1) is not applicable to the company.
- vii. According to the information and explanations given to us, in respect of statutory dues:
 - a. The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Value Added Tax, duty of Customs, duty of Excise, Cess and other material statutory dues applicable to it with the appropriate authorities.
 - b. There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Value Added Tax, duty of Customs, duty of Excise, 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.
- viii. 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 banks. The Company does not have any loans or borrowings from financial institutions or government and has not issued any debentures.
- ix. Based on the information and explanations given to us by the management, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) but the Company has raised new term loans during the year and those raised during the year have been applied for the purposes for which they were raised.
- x. 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.



- xi. In our opinion and according to the information and explanations given to us, the Company has not paid / provided any managerial remuneration during the year and hence reporting under clause 3 (xi) of the Order is not applicable.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. During the year company has not made any preferential allotment or private placement of shares and Fully or partly convertible debenture and hence reporting under clause 3(xiv) of order is not applicable to the company.
- xv. 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 to its Directors and hence provisions of Section 192 of the Act are not applicable.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Anil Bansal & Associates

Chartered Accountants

Firm registration number:100421W

Anil Bansal

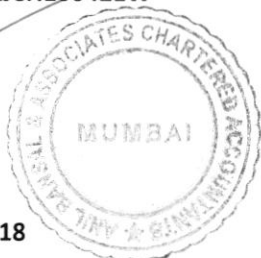
Proprietor

Membership no. 043918

Place: Mumbai

Date:

25 MAY 2017



ANNEXURE 'B' TO THE 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')

We have audited the accompanying financial statements of Oriental Foundry Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, in conjunction with our audit of the financial statements of the Company for the year ended and as on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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 Standards on Auditing prescribed under Section 143(10) of the Act and the Guidance Note, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with the 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' 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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 controls 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, to the best of our information and according to the explanations given to us, 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.

For Anil Bansal & Associates

Chartered Accountants

Firm registration number:100421W

Anil Bansal

Proprietor

Membership no. 043918

Place: Mumbai

Date:

25 MAY 2017



Oriental Foundry Private Limited

Cash Flow Statement for the year ended 31st March, 2017

	Notes	31 st March 2017 Rs.	31 st March 2016 Rs.
Cash flow from operating activities			
Profit before tax and after prior period items		(3,406,520)	641,508
Non-cash adjustment to reconcile profit before tax to net cash flows:			
Depreciation/ amortization on continuing operation		15,647,595	3,737,286
Interest and Financial expense		15,474,415	4,335,113
Operating profit before working capital changes		27,715,490	8,713,908
Movements in working capital:			
Trade and other Receivables		(45,935,485)	(208,255)
Inventories		(115,887,500)	(54,269,996)
Loans & advances		(33,494,827)	(17,493,898)
Trade and Other liabilities		40,924,677	(11,971,746)
Change in Provisions		(2,873,939)	9,490,481
Cash generated from /(used in) operations		(129,551,584)	(65,739,507)
Direct taxes paid (net of refunds)		3,472,415	(9,301,424)
cash flow before extraordinary item		(126,079,169)	(75,040,931)
Extra ordinary item		-	-
Net cash flow from/ (used in) operating activities (A)		(126,079,169)	(75,040,931)
Cash flows from investing activities			
Purchase of fixed assets, including CWIP		(118,557,363)	(156,132,955)
Purchase of investments		-	-
Net cash flow from/ (used in) investing activities (B)		(118,557,362)	(156,132,955)
Cash flows from financing activities			
Proceeds from issuance of share capital		-	37,500,000
Long/Short Term Borrowing Taken During the year		246,600,462	342,666,256
Long/Short Term Borrowing Repayment During the year		14,864,198	(141,251,465)
Interest and Financial expense		(15,474,415)	(4,335,113)
Net cash flow from/ (used in) in financing activities (C)		245,990,244	234,579,678
Net increase/(decrease) in cash and cash equivalents (A + B + C)		1,353,713	3,405,792
Cash and cash equivalents at the beginning of the year		3,519,807	114,015
Cash and cash equivalents at the end of the year		4,873,521	3,519,807
Components of cash and cash equivalents			
Cash on hand		3,100,998	3,427,614
With banks- on current account		1,772,523	92,193
Total cash and bank equivalents		4,873,521	3,519,807

Significant accounting policies and Notes to the financial statements

2

As per our report of even date

For: Anil Bansal & Associates

Chartered Accountants

Firm registration number: 100421W

Anil Bansal

Proprietor

Membership no. 043918

Place : Mumbai

Date: 25/05/2017



For and on Behalf of Board of

Oriental Foundry Private Limited

Salah N Mithiborwala

Director

DIN: 00171171

Valli N Mithiborwala

Director

DIN: 00171255

Priya Bhagat

Company Secretary

M No. A46398

Oriental Foundry Private Limited
Balance sheet as at 31st March 2017

	Notes	31st March 2017 Rs.	31st March 2016 Rs.
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	87,500,000	87,500,000
Reserves and surplus	4	(8,857,077)	(8,922,972)
		78,642,923	78,577,028
Non-current liabilities			
Long - term borrowings	5	473,741,818	227,141,356
Deferred tax liabilities (Net)	6	5,851,827	9,324,242
Long - term provisions	7	152,831	55,248
		479,746,476	236,520,847
Current liabilities			
Short - term borrowings	8	53,360,240	38,496,042
Trade Payables	9	42,013,835	3,851,034
Other current liabilities	10	26,192,558	23,430,681
Short - term provisions	11	634,701	133,808
		122,201,334	65,911,566
Total		680,590,733	381,009,440
ASSETS			
Non-current assets			
Fixed assets			
Tangible Assets	12	257,458,186	263,036,942
Capital work-in-progress	12	136,743,664	28,255,140
Long-term loans and advances	13	251,850	158,500
Other Non Current Assets	14	-	269,962
		394,453,700	291,720,544
Current assets			
Inventories	15	170,157,496	54,269,996
Trade receivables	16	46,143,740	208,255
Cash and Cash Equivalents	17	4,873,521	3,519,807
Short-term loans and advances	18	64,962,276	31,290,837
		286,137,033	89,288,895
Total		680,590,733	381,009,440

Significant accounting policies and Notes to the financial statements

2

As per our report of even date

For: Anil Bansal & Associates

Chartered Accountants

Firm registration number: 100421W

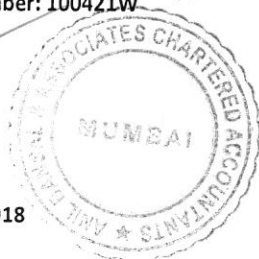
Anil Bansal

Proprietor

Membership no. 043918

Place: Mumbai

Date: 25/05/2017



For and on Behalf of Board of
Oriental Foundry Private Limited


Saleh N Mithiborwala
Director
DIN: 00171171


Valli N Mithiborwala
Director
DIN: 00171255


Priya Bhagat
Company Secretary
M No. A4C398

Oriental Foundry Private Limited
Statement of profit and loss for the year ended 31st March 2017

	Notes	31st March 2017 Rs.	31st March 2016 Rs.
Income			
Gross revenue from operations	19	119,133,485	176,300
Less : Excise Duty		(6,443,884)	-
Less : Other Taxes		(5,662,030)	-
Net revenue from operations		107,027,570	176,300
Other Income	20	222,298	313
Total Revenue		107,249,868	176,613
Expenses:			
Cost of materials consumed	21	130,136,992	23,699,979
Change in inventories of finished goods and Working in Progress	22	(84,661,674)	(49,531,843)
Employee benefit expenses	23	12,284,386	5,315,545
Depreciation	24	15,647,595	3,737,286
Finance cost	25	15,474,415	4,335,113
Other expenses	26	21,774,674	11,979,024
Total expenses (II)		110,656,389	(464,895)
Profit/(loss) Before Tax		(3,406,520)	641,508
Tax expense:			
Current Tax		-	(133,653.00)
Mat entitlement		-	133,653.00
Deferred tax		3,472,415	(9,301,424)
Total tax expenses		3,472,415	(9,301,424)
Profit/(loss) After Tax		65,895	(8,659,916)
Profit/(loss) transfer to balance sheet		65,895	(8,659,916)
Earnings per equity share:			
Basic & Diluted (in `)	27		
Significant accounting policies and Notes to the financial statements	2		

As per our report of even date

For: Anil Bansal & Associates

Chartered Accountants

Firm registration number: 100421W

Anil Bansal

Proprietor

Membership no. 043918

Place: Mumbai

Date: 25/05/2017



For and on Behalf of Board of
Oriental Foundry Private Limited


Saleh N Mithiborwala
Director
DIN: 00171171


Valli N Mithiborwala
Director
DIN: 00171255


Priya Bhagat
Company Secretary
M No. A46398

ORIENTAL FOUNDRY PRIVATE LIMITED

Notes to the Financial Statement for the year ended 31st March, 2017

Note 1 - Corporate information

The Company is incorporated on 25th July 2014 under the provisions of the Companies Act, 2013. The company is engaged in Manufacture & Trading of ferrous & non ferrous metals, casting tools, slabs, rods, section flates & other ferrous & non ferrous products.

Note 2 - Significant accounting policies

a. Basis of preparation of financial statements

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles(GAAP) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or are vision to an existing accounting standard requires a change in the accounting policy hitherto in use.

b. Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

c. Tangible fixed assets and Capital Work In Progress

Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. Capital work in progress comprises of the cost of fixed assets that are not yet ready for their intended use at the reporting date.

d. Depreciation on tangible fixed assets

Depreciation on the fixed assets has been provided for on straight line method at the rates prescribed and the management estimates the useful lives as per Schedule II to the Companies Act, 2013. Depreciation on additions is provided on Pro-rata basis for the period for which the Assets are put to use.

Depreciation/amortisation on intangible fixed assets

The Management estimates the useful lives for the fixed assets as per Schedule II to the Companies Act, 2013.

e. Borrowing costs

Investments, which are readily realizable and intended to be held for 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.

f. Inventories

Raw materials, components, stores and spares are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, components and stores and spares is determined on First-in First-Out basis.

Finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty and is determined on First-in First-Out basis.



ORIENTAL FOUNDRY PRIVATE LIMITED

Notes to the Financial Statement for the year ended 31st March, 2017

g. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

Sale of goods

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. Sales Tax and VAT is included in the amount of turnover (gross). Excise duty deducted from revenue (gross) is the amount that is included in the revenue (gross) and not the entire amount of liability arising during the year. Gross Turnover Includes Sale of Services i.e. Labour Charges.

Income from services

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the Revenue in respect of contracts for services is recognized on completion of services.

Income from services

Dividend income is recognized when the company's right to receive dividend is established by the reporting date.

h. Foreign currency translation

Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Exchange Differences

Exchange differences arising on the settlement of monetary items, or on reporting such monetary items of company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

i. Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The contributions to the provident fund are charged to the statement of profit and loss for the year when the contributions are due. The company has no obligation, other than the contribution payable to the provident fund.

The company operates one defined benefit plan for its employees, viz., gratuity. The costs of providing benefits under these plans are determined on the basis of actuarial valuation at each year-end. Actuarial valuation is carried out for plan using the projected unit credit method. Actuarial gains and losses for defined benefit plan are recognized in full in the period in which they occur in the statement of profit and loss.

j. Income taxes

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-Tax Act, 1961. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain that sufficient future taxable income will be available.



ORIENTAL FOUNDRY PRIVATE LIMITED

Notes to the Financial Statement for the year ended 31st March, 2017

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement".

k. Earnings Per Share

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

l. Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.



Oriental Foundry Private Limited
Notes to the Financial Statement for the year ended 31st March, 2017
Note 3 - Share Capital

31st March 2017 Rs.	31st March 2016 Rs.
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a. Authorised Shares

9,000,000 (Previous year 9,000,000) Equity Shares of Rs. 10/- each.

90,000,000	90,000,000
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Issued, Subscribed and fully paid -up Shares

8,750,000 (Previous year 8,750,000) Equity Shares of Rs. 10/- each.

87,500,000	87,500,000
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Total Issued, Subscribed and fully paid -up Shares

87,500,000	87,500,000
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b. Reconciliation of number of shares outstanding
Equity Share Capital

Particular	31st March 2017		31st March 2016	
	No. of share	Rs.	No. of share	Rs.
As at the beginning of the year	8,750,000	87,500,000	5,000,000	50,000,000
Add : During the year	-	-	3,750,000	37,500,000
As at the end of the year	8,750,000	87,500,000	8,750,000	87,500,000

c. Term/ Right Attached to Equity Share

The company has only one class of equity shares having a per value of Rs .10 per share. Each share 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 receive remaining assets of the company, after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

d. Details of Shareholders holding more than 5% shares in the Company

	As at 31st March, 2017		As at 31st March, 2016	
	Number of Shares	% Holding	Number of Shares	% Holding
Name of the equity shareholder				
M/s. Oriental Veneer Products Limited	8,750,000	100.00%	8,250,000	94.29%

Note 4 - Reserves and Surplus

31st March 2017 Rs.	31st March 2016 Rs.
------------------------	------------------------

Surplus/(loss) in the statement of profit and loss

Balance as at the beginning of the year

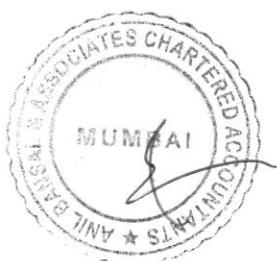
(8,922,972)	(263,056)
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Add : Profit/(Loss) during the year

65,895	(8,659,916)
--------	-------------

Total

(8,857,077)	(8,922,972)
-------------	-------------



Oriental Foundry Private Limited
Notes to the Financial Statement for the year ended 31st March, 2017
Note 5 - Long term borrowing

	As at March 31, 2017		As at March 31, 2016	
	Non Current Rs.	Current Rs.	Non Current Rs.	Current Rs.
Secured Loans				
Term loans*				
Indian rupee loan from Banks	115,733,418	10,537,148	116,458,956	3,188,381
Unsecured Loans				
Loan from Related Party (Refer Note 25)	358,008,400	-	110,682,400	-
	473,741,818	10,537,148	227,141,356	3,188,381
Amount disclosed under the head current liabilities (Note-9)	-	-	-	(3,188,381)
Net amount	473,741,818	10,537,148	227,141,356	-

*a. Term loans are secured by way of hypothecation of plant & machinery and other fixed assets at Bharuch, Kutch, Mortgage of the factory land & building and office building situated at Bharuch, Kutch, and by the personal guarantee from managing director and director.

* Loan from bank includes vehicles loan secured by hypothecation of vehicles acquired under said loans.

Note 5.1 - Loan from related parties

	31st March 2017 Rs.	31st March 2016 Rs.
Mr. Saleh N Mithiborwala	111,150,000	14,600,000
Mr. Valli N Mithiborwala	41,468,400	7,368,400
M/s Oriental Veneer Products Limited [Holding Company]	-	88,714,000
Exim Trade Links (I) Pvt Ltd	55,890,000	-
Virtue Infrastructures Private Limited.	149,500,000	-
Total	358,008,400	110,682,400

Note 6 - Deferred tax liabilities (Net)

	31st March 2017 Rs.	31st March 2016 Rs.
<u>Deferred tax liabilities</u>		
Related to fixed assets	5,851,827	9,428,344
<u>Less : Deferred tax assets</u>		
Carry forward losses the Income Tax Act, 1961	-	(104,102)
Deferred tax liabilities (Net)*	5,851,827	9,324,242

* Deferred Tax Assets and Deferred Tax Liabilities have been offset as they relate to the same governing taxation laws.

Note 7 - Long-term provision

	31st March 2017 Rs.	31st March 2016 Rs.
<u>Provision for employee benefits</u>		
Provision for gratuity (Refer Note-26)	152,831	55,248
Total	152,831	55,248



Oriental Foundry Private Limited
Notes to the Financial Statement for the year ended 31st March, 2017

Note 8 - Short term borrowing	31St March 2017	31St March 2016
	Rs.	Rs.
Secured		
<u>Working capital loan*</u>		
From Banks [Rupee Loan]	53,360,240	38,496,042
Total	53,360,240	38,496,042

*a. Working capital loan from banks is secured by way of hypothecation of present and future Inventories, Book debts of the Company and by personal guarantee of directors.

Note 9 - Trade Payables	31St March 2017	31St March 2016
	Rs.	Rs.
Micro,Small & Medium Enterprises (Refer Note-29)		-
Others Payable	42,013,835	3,851,034
Total	42,013,835	3,851,034

Note 10 - Other Current Liabilities	31St March 2017	31St March 2016
	Rs.	Rs.
Current maturity of Long term liabilities	10,537,148	3,188,381
Other Current liabilities*	15,655,410	19,808,398
Balance with Bank**	-	433,903
Total	26,192,558	23,430,681

* Other Current Liabilities include Creditor for capital expenditure & expenses

** Due to issue of cheque

Note 11 - Short term provision	31St March 2017	31St March 2016
	Rs.	Rs.
<u>Provision for employee benefits</u>		
Provision for gratuity (Refer Note-26)	378	155
<u>Other</u>		
Current Income Tax	133,653	133,653
Excise Duty Provision	500,670	-
Total	634,701	133,808



Notes to the Financial Statements for the year ended 31st March, 2017
Note 12 - Fixed Assets

Particulars	Gross Block of Assets				As on 01/04/2016	Depreciation			Net Block	
	As on 01/04/2016	Addition	Disposal	As on- 31/3/2017		During the year	Deduction	As on 31/03/2017	As on 31/03/2017	As on 31/03/2016
Office (Assets)										
Computer (office)	29,800	-	-	29,800	1,551		-	1,551	28,249	28,249
Office Equipment	28,883	-	-	28,883	1,879		-	1,879	27,004	27,004
Furniture & Fixtures (Office)	8,125	-	-	8,125	127		-	127	7,998	7,998
Factory (Assets)										
Land	11,255,490			11,255,490	-		-	-	11,255,490	11,255,490
Plant & Machinery & Utilities	165,544,617	7,650,381		173,194,998	2,571,443	10,772,231	-	13,343,674	159,851,325	162,973,175
Electrical Equipements	15,263,060	-		15,263,060	355,772	1,449,991	-	1,805,763	13,457,298	14,907,288
Lab / Testing Equipemets	899,394	409,500		1,308,894	21,252	124,345	-	145,597	1,163,298	878,142
Factory Building	65,818,575	-		65,818,575	495,143	2,086,449	-	2,581,592	63,236,984	65,323,432
Air Conditioner	655,068	-		655,068	31,030	124,463	-	155,493	499,576	624,038
Computer	825,961	285,681		1,111,642	58,888	298,620	-	357,508	754,135	767,073
Fire Extingusher	64,000			64,000	2,399	20,649	-	23,048	40,953	61,601
Furniture & Fixture	3,594,115	181,000		3,775,115	56,464	349,930	-	406,394	3,368,722	3,537,651
Office Equipements	226,227	201,600		427,827	10,477	61,450	-	71,927	355,901	215,750
Motor Car	2,564,755	1,340,669	-	3,905,424	134,705	359,466	-	494,171	3,411,254	2,430,050
Total	266,778,070	10,068,831	-	276,846,901	3,741,130	15,647,595	-	19,388,725	257,458,186	263,036,941
At 31st March 2016	946,424	265,831,646		266,778,070	3,843	3,737,286	-	3,741,130	263,036,941	942,581
Capital Work in Progress	-	-	-	-	-	-	-	-	136,743,664	



Oriental Foundry Private Limited**Notes to the Financial Statement for the year ended 31st March, 2017****Note 13 - Long Term Loans and Advances**

(Unsecured, Considered Good)

	31St March 2017 Rs.	31St March 2016 Rs.
Security Deposits	251,850	158,500
Total	251,850	158,500

Note 14 - Other Non Current Assets

	31St March 2017 Rs.	31St March 2016 Rs.
Preliminary Expenses- to the extent not written off	-	269,962
Total	-	269,962

Note 15 - Inventories

	31St March 2017 Rs.	31St March 2016 Rs.
Raw Materials (including Stores, spares & Others)	35,963,979	4,738,153
Finished Goods	10,573,500	-
Work-in-progress	123,620,017	49,531,843
Total	170,157,496	54,269,996

Note 16 - Trade receivables

	31St March 2017 Rs.	31St March 2016 Rs.
Unsecured, considered good unless stated otherwise		
<u>Due for a Period Exceeding Six Months</u>		
Unsecured, Considered Good	409,688	-
<u>Other receivables</u>		
Unsecured, Considered Good	45,734,052	208,255
Total	46,143,740	208,255

Note 17 - Cash and Cash Equivalents

	31St March 2017 Rs.	31St March 2016 Rs.
Cash in hand	3,100,998	3,427,614
<u>Balance with banks:</u>		
On current accounts	1,772,523	92,193
Total	4,873,521	3,519,807

Note 18 - Short Term Loan and Advance

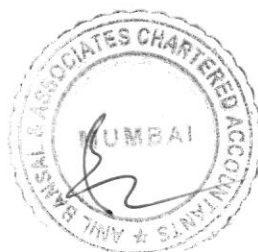
(Unsecured, Considered Good)

	31St March 2017 Rs.	31St March 2016 Rs.
Advances recoverable in cash & kind	36,694,039	13,515,534
<u>Other loans and advances</u>		
MAT Credit	133,653	133,653
Balance with Statutory Authorities	28,134,584	17,641,651
Total	64,962,276	31,290,838



Oriental Foundry Private Limited
Notes to the Financial Statement for the year ended 31st March, 2017

Note 19 - Revenue from operations	31st March 2017	31st March 2016
	Rs.	Rs.
Sale of products (Gross)	119,133,485	-
Less : Excise Duty	(6,443,884)	-
less : Other taxes	(5,662,030)	-
Other Operating Income	-	176,300
Revenue From Operation (Net)	107,027,570	176,300
Detail of Products sold (Net)		
Cast Steel Bogie	98,224,000	-
Axle Box Housing	177,988	-
Coupler Body 48 B D	2,799,135	-
Face Plate for Buffer Plunger	5,187,951	-
Knuckle	296,496	-
Side Bearer Casting	342,000	-
	107,027,570	-
Note 20 - Other Income	31st March 2017	31st March 2016
	Rs.	Rs.
Dividend	3,750	313
Interest Recd	218,548	-
Total	222,298	313
Note 21 - Cost of material and consumed	31st March 2017	31st March 2016
	Rs.	Rs.
Opening Stock	4,738,153	-
Add: Purchases (Including stores)	161,362,819	28,438,132
	166,100,972	28,438,132
Less: Closing Stock (including stores)	35,963,979	4,738,153
Total	130,136,992	23,699,979
Note 22 - Change in inventories of finished goods and Work in Progress	31st March 2017	31st March 2016
	Rs.	Rs.
Closing stock of finished goods	10,573,500	-
Closing stock of Semi-finished goods	123,620,017	49,531,843
	134,193,517	49,531,843
Less: Opening stock of finished goods	-	-
Opening stock of Semi- finished goods	49,531,843	-
	49,531,843	-
Total	(84,661,674)	(49,531,843)
Note 23 - Employee benefit expenses	31st March 2017	31st March 2016
	Rs.	Rs.
Salaries, wages and bonus	10,832,749	5,104,886
Contribution to provident and other funds	142,279	72,548
Staff welfare expenses	1,309,358	138,111
Total	12,284,386	5,315,545



Oriental Foundry Private Limited
Notes to the Financial Statement for the year ended 31st March, 2017
Note 24 - Depreciation and amortization expense

	31st March 2017	31st March 2016
	Rs.	Rs.
Depreciation on tangible assets	15,647,595	3,737,286
Total	15,647,595	3,737,286

Note 25 - Finance Cost

	31st March 2017	31st March 2016
	Rs.	Rs.
Interest on term loan	10,241,009	3,310,658
Interest on Working capital loan	3,858,396	319,093
Other	1,375,010	705,362
Total	15,474,415	4,335,113

Note 26 - Other expenses

	31st March 2017	31st March 2016
	Rs.	Rs.
Manufacturing expenses		
Power and fuel	6,049,811	5,357,936
Factory General Expenses	3,662,531	262,407
Excise Duty	500,670	-
Labour Charges	2,470,250	-
Water Charges	443,550	-
Machinery Repairs & Maintenance	653,132	47,810
	13,779,944	5,668,153
Sales & Administration Expenses		
Books & Periodicals	68,768	-
Communion Cost	489,648	202,779
Discount & Rebate	6,122	15,258.08
Electricity Charges	32,557	113,620
Fees & Subscription	32,600	68,211
Foreign Currency Fluctuation	(630)	-
Freight Expenses	206,844	240,387
Office and Administrative	1,658,290	525,790
Inspection Charges	11,209	-
Insurance Charges	568,822	-
Loading & Unloading Charges	273,381	-
Office Repairs & Maintainance	6,290	71,750
Payment to Auditor	50,000	71,500
Postage & Telegram	42,336	-
Printing & Stationary	138,579	60,576
Professional Charges	1,038,427	2,671,439
Rent Rate & Taxes	1,541,622	350,092
Tender Fees	173,166	-
Testing Charges	88,775	-
Travelling and Conveyance	981,065	1,606,499
Vehicle Expenses	316,898	222,981
Preliminary Expenses W/off	269,962	89,989
	7,994,731	6,310,871
Total	21,774,674	11,979,024



Oriental Foundry Private Limited**Notes to the Financial Statement for the year ended 31st March, 2017****Payment to Auditor**

Audit fee

50,000	50,000
<u>50,000</u>	<u>50,000</u>

Note 27 - Basic earnings per shares

31st March 2017	31st March 2016
Rs.	Rs.
Profit after tax	65,895 (8,659,916)
Weighted average number of shares outstanding during the year	8,750,000 6,284,247
Face value per share	10 10
Basic & Diluted earnings per share	0.01 (1.38)



Note 28 - Related Party Disclosure [as certified by Management]
(a) List of related parties where control exists and related with whom transactions have taken place and relationships:

Name of the Related Party	Relationship
1. M/s Oriental Veneer Products Limited	Holding Company
2. Mr. Saleh N Mithiborwala [Director]	Key Management Personnel
3. Mr. Valli N Mithiborwala [Director]	
4. Ms. Priya Bhagat [Company Secretary] w.e.f 17th March 2017	
5. M/s Trishala Wood Craft Private Limited	Enterprises in which Key Management Personnel exercises Significant Influence
6. M/s Gen Wood Products Private Limited	
7. M/s Trishala Veneer Private Limited	
8. M/s Industrial Laminates (I) Private Limited	
9. M/s Oriental Rail Trade (I) Private Limited	

b) Transactions with related parties for the year ended March 31, 2017

Particulars	Holding Company		Key Management Personnel		Enterprises significantly influenced by key management personnel or their relatives	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
Salary paid						
Ms. Priya V Bhagat			5,000			
Fully Paid up Shares Issued Rs. 10/- each						
M/s Oriental Veneer Products Limited	-	37,500,000	-	-	-	-
Mr. Saleh N Mithiborwala	-	-	-	-	-	-
Mr. Valli N Mithiborwala	-	-	-	-	-	-
Unsecured Loans taken						
M/s Oriental Veneer Products Limited	966,954,687	115,764,000	-	-	-	-
M/s Exim Trade Links (I) Pvt Ltd	-	-	-	-	55,890,000	-
M/s Virtue Infrastructures Private Limited.	-	-	-	-	149,500,000	-
Mr Saleh N Mithiborwala	-	-	96,550,000	13,000,000	-	-
Mr Valli N Mithiborwala	-	-	34,100,000	7,000,000	-	-
Unsecured Loans repayment						
M/s Oriental Veneer Products Limited	269,123,687	88,700,000	-	-	-	-
M/s Exim Trade Links (I) Pvt Ltd	-	-	-	-	-	-
M/s Virtue Infrastructures Private Limited.	-	-	-	-	-	-
Mr Saleh N Mithiborwala	-	-	-	-	-	-
Mr Valli N Mithiborwala	-	-	-	-	-	-
Sales of Goods						
M/s Trishala Veneer Private Limited	-	-	-	-	-	208,254
Purchase of Goods/Machinery						
M/s Oriental Veneer Products Limited	6,380,773	6,346,272	-	-	-	-
M/s Industrial Laminates (I) Private Limited	-	-	-	-	718,840	2,212,539
M/s Oriental Rail Trade (I) Private Limited	-	-	-	-	-	86,517
M/s Gen Wood Products Private Limited	-	-	-	-	85,092	-

c) Balances with related parties as at March 31, 2016

Creditor/Debtor outstanding at the year end						
M/s Oriental Veneer Products Limited	1,655,984	1,597,384	-	-	-	-
M/s Trishala Veneer Private Limited	-	-	-	-	-	208,254
M/s Industrial Laminates (I) Private Limited	-	-	-	-	-	838,838
Loans Taken/Given Outstanding at year end						
Mr. Saleh N Mithiborwala	-	-	111,150,000	14,600,000	-	-
Mr. Valli N Mithiborwala	-	-	41,468,400	7,368,400	-	-
M/s Oriental Veneer Products Limited	88,714,000	-	-	-	-	-
M/s Exim Trade Links (I) Pvt Ltd	-	-	-	-	55,890,000	-
M/s Virtue Infrastructures Private Limited.	-	-	-	-	149,500,000	-

Oriental Foundry Private Limited**Notes to the Financial Statement for the year ended 31st March, 2017****Note - 29 Gratuity**

The company operates one-defined plans, viz., gratuity Under the gratuity plan, every employee who has completed atleast five years of service gets a gratuity on departure @ 15 days of last drawn salary for each completed year of service.

The Company has charged the gratuity provision of Rs. 97,806/- in the profit and loss accounts in the year ended 31st March, 2017 (previous year, 55,403/-). The gross obligation toward the gratuity at the end of the year on discountinuanse is Rs. 2,86,846/- (previous year, 1,05,427/-). The Company has not funded the gratuity obligation against any plan assets.

Profit and Loss Account

	31St March 2017	31St March 2016
	Rs.	Rs.
Net employee benefit expense recognized in the employee cost		
Current service cost	378	155
Interest cost on benefit obligation	NIL	NIL
Expected return on plan assets	NA	NA
Net actuarial(gain) / loss recognized in the year	-	-
Net benefit expense	378	155

Balance sheetBenefit asset/ liability

	31St March 2017	31St March 2016
	Rs.	Rs.
Present value of defined benefit obligation	153,209	55,403
Fair value of plan assets	NIL	NIL
Plan asset / (liability)	153,209	55,403

Changes in the present value of the defined benefit obligation are as follows:

	31St March 2017	31St March 2016
	Rs.	Rs.
Opening defined benefit obligation	-	
Current service cost	378	155
Interest cost	NIL	NIL
Benefits paid	NIL	NIL
Actuarial (gains) / losses on obligation	153,209	55,403
Closing defined benefit obligation	153,209	55,403



Oriental Foundry Private Limited

Notes to the Financial Statement for the year ended 31st March, 2017

Changes in the fair value of plan assets are as follows:

	31st March 2017	31st March 2016
	Rs.	Rs.
Opening fair value of plan assets	NIL	NIL
Expected return	N A	N A
Contributions by employer	N A	N A
Benefits paid	N A	N A
Actuarial gains / (losses)		
Closing fair value of plan assets	NIL	NIL

The principal assumptions used in determining gratuity obligations for the company's plans are shown below:

Retirement Age	58 Years
Withdrawal Rates	2.00 % P.A.
Future Salary Rise	5.00% P.A.
Rate of Discounting	7.71% P.A.
Mortality Table	Mortality (2006-08) Ultimate

The estimates of future salary increases, considered in actuarial valuation, taking into consideration the general trend in salary rise and inflation rate.

Note 30 Specified bank Notes Disclosure (SBNs)

In accordance with the MCA notification G.S.R. 308(E) dated March 30, 2017 details of Specified Bank Notes (SBN) and Other Denomination Notes (ODN) held and transacted during the period from November 8, 2016 to December 30, 2016, is given below;

Particular	SBNs	Other notes	Total
Closing cash in hand as on 08.11.2016	22,700,000	801,381	23,501,381
Add : Permitted receipts	-	366,000	366,000
Less: Permitted payments	-	(409,920)	(409,920)
Less: Amount deposited in Banks	(22,700,000)		(22,700,000)
Closing cash in hand as on 30.12.2016	-	757,461.00	757,461.00

Note 31 - Expenditure in foreign currency (accrual basis)

	31st March 2017	31st March 2016
	Rs.	Rs.
Foreign Travelling	56,795	91,302
Total	56,795	91,302

Note 32 - Imported and indigenous raw material, components and spare parts consumed

	As at 31st March 2017		As at 31st March 2016	
	consumption	Amount in Rs.	consumption	Amount in Rs.
Imported	-	-	-	-
Indigenous	100%	130,136,992	100%	23,699,979
Total	100%	130,136,992	100%	23,699,979



Oriental Foundry Private Limited

Notes to the Financial Statement for the year ended 31st March, 2017

Note 33 - Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

The Company has not received any intimation from "suppliers " regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure, if any, relating to amounts unpaid as at the year end together with interest paid/payable as required under the said Act have not been given.

Note 34 - Sundry Debtors, Sundry Creditors, loans & advances and outstanding balance are subject to confirmation and reconciliation.

Note 35 - The commercial production has been started from 1st January, 2017.

Note 36 - There were no transactions during the year involving derivative instruments & hedging contracts.

Note 37 - There were no litigations pending from the previous years or made during the year on the Company.

Note 38 - Previous year figure have been reclassified/recast to conform to this year's classification.

As per our report of even date

For: Anil Bansal & Associates

Chartered Accountants

Firm registration number:100421W

For and on Behalf of Board of Directors

Oriental Foundry Private Limited

Anil Bansal

Proprietor

Membership no. 043918

Place: Mumbai

Date: 25/05/2017



Saleh N Mithiborwala

Director

DIN: 00171171

Valli N Mithiborwala

Director

DIN: 00171255

Priya Bhagat
Company Secretary

M No. A46398