

**ASHWA MINERALS PVT. LTD.**

**A. Y. 2017 - 2018**

**F. Y. 2016 - 2017**

**(PAN NO. AAJCA8663R)**

**Atul HMV & Associates LLP**

*Chartered Accountants*

Chitalia House, 274/276, Dr. Cawasji Hormasji Lane,  
3<sup>rd</sup> Floor, Near Marine Lines stn., Mumbai - 400 002.

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## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF ASHWA MINERALS PRIVATE LIMITED

#### Report on the Financial Statements

We have audited the accompanying financial statements of **ASHWA MINERALS PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2017 and 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 Financial Statements

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

### **Auditor's 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 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 control 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. 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.

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**

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 31<sup>st</sup> 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 Companies Act, 2013, we give in the annexure A, a statement on the matters specified in paragraphs 3 and 4 of the said Order.

2. As required by Section 143 (3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the 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.


(e) On the basis of the written representations received from the directors as on 31<sup>st</sup>March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup>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".

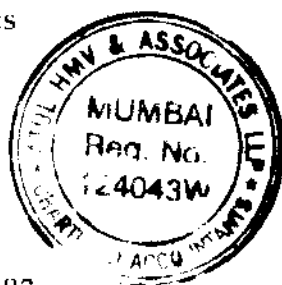
(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company does not have any pending litigations which would impact its financial position
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. The company has provided the requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these disclosures are in accordance with the books of accounts maintained by the company.

For Atul HMV & Associates LLP  
Chartered Accountants  
FRN No: 124043W



Hemanshu M. Vora  
Partner  
Membership No. 100283  
Place: Mumbai  
Date: 17<sup>th</sup> May, 2017



**ANNEXURE A TO THE AUDITORS' REPORT**

Annexure referred to in our Report of even date to the Members of **ASHWA MINERALS PRIVATE LIMITED** (the Company), on the Financial Statements for the year ended March 31, 2017.

- i. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.  
b) Fixed assets were physically verified during the year by the management at reasonable intervals in a phased manner in accordance with a programme of physical verification. According to information and explanations given to us, no material discrepancies were noticed on such verification.  
c) The Company does not have immovable property, accordingly the provision of clause 3(i)(c) of the Companies (Auditor's Report) Order, 2016 are not applicable.
- ii. The inventory has been physically verified at reasonable interval by the management during the year and as informed to us, no material discrepancies were noticed during physical verification.
- iii. The Company has not granted any loan, secured or unsecured to the Companies, firms or other parties covered in the register maintained under Section 189 of the Act. Consequently, clauses (iii) (a) to (iii) (c) of paragraph 3 of the Order are not applicable.
- iv. The Company has not given any loan, security or guarantee and the Company does not have any investments, accordingly, clause 3(iv) of the Order is not applicable.
- v. The Company has not accepted any deposits within the meaning of provision of Section 73 to 76 of the Act or any other relevant provision of the Companies Act, 2013 and the rules framed there under.
- vi. The Central Government has not prescribed the maintenance of cost records under subsection (1) of section 148 of the Act.
- vii. (a) According to information and explanation given to us and the records of the company examined by us, the Company, except for service tax, is generally regular in depositing with appropriate authorities undisputed statutory dues including income tax, Sales Tax, Value Added Tax. The provisions of provident fund, employee's state insurance, Customs Duty, Excise Duty and Cess are not applicable to the company.  

According to information and explanation given to us, no undisputed amounts payable in respect of Sales Tax, Value Added Tax, duty of customs, duty of excise, cess and other material statutory dues were in arrears as on 31<sup>st</sup> march, 2017 except for service tax amounting to Rs.4.58 lacs for a period of more than six months from the date they became payable.

(b) As per information and explanation given to us, there are no dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax which have not been deposited on account of dispute.
- viii. The Company has not defaulted in repayment of any loans or borrowings from banks and financial institutions. The Company has not borrowed by way of debentures.

- ix. The Company has not raised any money by way of initial public offer or further public offer (including debt instrument) and terms loans. Thus, provisions of clause 3 (ix) of the Companies (Auditor's report) Order, 2016 are not applicable.
- x. According to the information and explanation given to us, no fraud by the company or any fraud on the company by its officers or employees has been noticed or reported during the year.
- xi. As the company is not a public company, provisions of clause 3 (xi) of the Companies (Auditor's report) Order, 2016 with respect to managerial remuneration under Section 197 read with Schedule V to the Companies Act are not applicable to the company.
- xii. The Company is not a Nidhi Company. Thus, provisions of clause 3 (xii) of the Companies (Auditor's report) Order, 2016 are not applicable
- xiii. According to the information and explanations given to us and the records examined, all the transaction with related parties are in compliance with section 177 and 188 of the Companies Act, 2013 and details have been disclosed in the financial statement etc. as required by the applicable accounting standards.
- xiv. According to the information and explanation given to us, company has not made any preferential allotment or private placement of shares or fully or partly convertible debenture during the year under review.
- xv. According to the information and explanation given to us, company has not entered into any non-cash transaction with director or persons connected with him
- xvi. According to the information and explanation given to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934

**For Atul HVM & Associates LLP**

*Chartered Accountants*

FRN No: 124043W



Hemanshu M. Vora

*Partner*

Mem. No.100283

Mumbai

Date: 17<sup>th</sup> May, 2017



**ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE  
FINANCIAL STATEMENTS OF ASHWA MINERALS PRIVATE LIMITED**

**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 Ashwa Minerals Private Limited ("the Company") as of March 31, 2017 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 issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

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



assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the 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, 2017, based on 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.

**For Atul HMV & Associates LLP**

**Chartered Accountants**

**FRN No: 124043W**



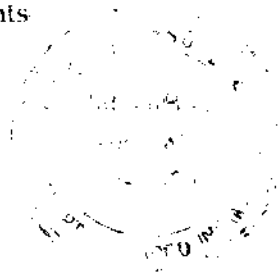
**Hemanshu M. Vora**

**Partner**

**Membership No. 100283**

Place: Mumbai

Date: 17<sup>th</sup> May, 2017



**ASHWA MINERALS PRIVATE LIMITED**  
**BALANCE SHEET AS AT 31st MARCH 2017**

(Amount in Rupees)

Particulars	Note No.	31st March 2017		31st March 2016	
<b>EQUITY AND LIABILITIES :</b>					
<b>Shareholders' Funds</b>					
Share Capital	2	100,000		100,000	
Reserves and Surplus	3	37,162,722	37,262,722	22,235,756	22,335,756
<b>Share Application Money Pending Allotment</b>					
<b>Non-Current Liabilities</b>					
Long-term Borrowings	4	250,974		501,380	
Other Long Term Liabilities		-		-	
Long-term Provisions		-	250,974	-	501,380
Deferred Tax Assets (Net)					
<b>Current Liabilities</b>					
Trade Payables	5	34,793,163		45,442,597	
Other Current Liabilities	6	6,186,815		24,193,756	
Short-term Provisions	7	3,284,044	44,264,022	6,562,524	76,198,877
<b>Total...</b>			<b>81,777,718</b>		<b>99,036,013</b>
<b>ASSETS :</b>					
<b>Non-Current Assets</b>					
<b>Fixed Assets</b>					
Tangible Assets	8	631,608		910,489	
Intangible Assets		-		-	
Capital Work-in-Progress		-		-	
Intangible Assets under Development		-	631,608	-	910,489
Non-current Investments			-		-
Deferred Tax Assets (Net)		137,902	137,902		177,273
Long-term Loans and Advances			-		-
Other Non Current Assets	9		-		6,500
<b>Current Assets</b>					
Current Investments					
Inventories	10	787,918		8,065,175	
Trade Receivables	11	35,069,188		42,585,250	
Cash and Cash Equivalents	12	10,285,780		10,882,588	
Short-term Loans and Advances	13	34,865,322	81,008,208	36,408,738	97,941,751
<b>Total...</b>			<b>81,777,718</b>		<b>99,036,013</b>
The accompanying notes 1 to 30 are an integral part of these financial statements.	1				

As per our report of even date

For Atul HMV & Associates LLP

Chartered Accountants

FRN No: 124043W

Hemanshu M. Vora

Partner

Mem No : 100283

Mumbai

May 17, 2017



For and on behalf of the Board of Directors

*Sunil Shah*

Sunil Shah  
Director

*Manoj Ganatra*

Manoj Ganatra  
Director

ASHWA MINERALS PRIVATE LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2017

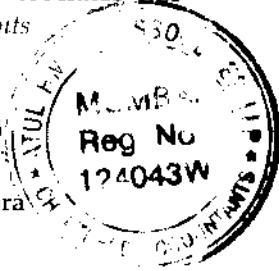
(Amount in Rupees)

Particulars	Note No.	31st March 2017	31st March 2016
<b>REVENUE :</b>			
<u>Revenue from Operations</u>			
Sales	14	133,759,913	126,220,690
Other Income	15	1,038,475	1,532,795
<b>Total Revenue</b>		<b>134,798,388</b>	<b>127,753,485</b>
<b>EXPENSES :</b>			
Cost of Materials Consumed	16	15,964,631	18,964,195
Purchases of Stock-in-Trade		41,127,964	26,323,250
Change in Inventories	17	686,916	1,224,698
Employee Benefit Expenses	18	4,379,795	5,648,859
Depreciation and Amortization	8	287,110	414,972
Finance Cost	19	491,668	-
Other Expenses	20	48,091,586	52,587,659
<b>Total Expenses</b>		<b>111,029,671</b>	<b>105,163,632</b>
<b>Profit/(Loss) before tax</b>		<b>23,768,717</b>	<b>22,589,853</b>
<b>Tax Expenses</b>			
Current Tax		(8,800,000)	(7,750,000)
Prior year income tax		(2,380)	
Deferred Tax		(39,371)	36,969
<b>Net Profit / (Loss) for the year</b>		<b>14,926,966</b>	<b>14,876,822</b>
Face Value per Equity Share		10	10
Earnings per Equity Share (1) Basic/Diluted		<b>1,492.70</b>	<b>1,487.68</b>
The accompanying notes 1 to 30 are an integral part of these financial statements.	1		

As per our report of even date

For Atul HMV & Associates LLP  
Chartered Accountants  
FRN No: 124043W

Hemanshu M. Vora  
Partner  
Mem No : 100283  
Mumbai  
May 17, 2017



For and on behalf of the Board of Directors

*Sunil Shah*  
Sunil Shah  
Director

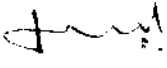
*Manoj Ganatra*  
Manoj Ganatra  
Director

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2017

Particulars	2016-17 Amount (Rs.)	2015-16 Amount (Rs.)
<b>A CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net Profit / Loss Before Tax and Extraordinary Items	2,37,68,717	2,25,89,853
<b>Adjustments for -</b>		
Depreciation	2,87,110	4,14,972
Expenses written off	6,500	6,500
Preliminary Expense	(10,29,778)	(4,85,342)
Gain on sale of Investments	41,361	-
Interest on Car Loan	-	-
Dividend Received	-	-
Operating Profit Before Working Capital Changes	2,30,73,910	2,25,25,983
<b>Adjustments for -</b>		
Trade and Other Current Assets	75,16,062	(2,32,48,859)
Short Term Loans and Advances	15,13,416	1,22,87,899
Inventories	72,77,257	1,08,22,800
Other Liabilities	(1,80,06,941)	(54,52,252)
Trade Payables	(1,06,49,434)	(34,63,118)
Short-term Provisions	(55,270)	(93,918)
<b>Cash generated from Operations</b>	<b>1,06,99,001</b>	<b>1,33,78,536</b>
Income Tax Paid	(1,20,25,590)	(24,36,062)
<b>Net Cash flow from Operating activities</b>	<b>(13,26,589)</b>	<b>1,09,42,474</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Fixed Asset	(8,230)	(27,950)
Dividend Received	-	-
Interest Received	-	-
Purchase of Investments	(3,50,00,000)	(2,00,00,000)
Sale of investments	3,60,29,778	2,04,85,339.76
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>10,21,548</b>	<b>4,57,390</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Interest on loan taken	(41,361)	-
Loans Repaid	(2,50,406)	(37,27,697)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(2,91,767)</b>	<b>(37,27,697)</b>
Net Increase in Cash and Cash Equivalents	(5,96,809)	76,72,167
Cash and Cash Equivalents as at beginning of the year	1,08,82,588	32,10,421
<b>Cash and Cash Equivalents as at end of the year</b>	<b>1,02,85,780</b>	<b>1,08,82,588</b>

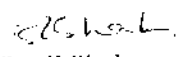
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For Atul HMV & Associates LLP  
Chartered Accountants  
ERN No: 124043W

  
Hemanshu M. Vora  
Partner  
Mem No : 100283  
Mumbai  
May 17, 2017



For and on behalf of the Board of Directors

  
Sunil Shah  
Director

  
Manoj Ganatra  
Director

ASHWA MINERALS PRIVATE LIMITED

NOTES FORMING PART OF INTEGRAL FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2017

Note No. 2

(Amount in Rupees)

Particulars	31st March 2017	31st March 2016
<b>2.1 Share Capital:</b>		
<b>Authorised</b>		
1,00,000 Equity Shares each of Rs. 10 /- each	1,00,000	1,00,000
	1,00,000	1,00,000
<b>Issued, Subscribed and Paid up</b>		
10,000 Equity Shares each of Rs. 10/- each fully paid up.	100,000	100,000
	100,000	100,000

**2.2 Share Capital Reconciliation:**

Particulars	Equity Shares as on 31st March 2017		Equity Shares as on 31st March 2016	
	No. of shares	Amount Rs.	No. of shares	Amount Rs.
Shares outstanding at the beginning of the year	10,000	100,000	10,000	100,000
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	10,000	100,000	10,000	100,000

**2.3 Shares held by each shareholder holding more than five per cent shares:**

Name of Shareholder	31st March 2017		31st March 2016	
	No. of shares	% of holding	No. of shares	% of holding
Ashok Alco-chem Ltd	10,000	100%	10,000	100%

ASHWA MINERALS PRIVATE LIMITED

NOTES FORMING PART OF INTEGRAL FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2017

(Amount in Rupees)

Particulars	31st March 2017	31st March 2016
<b>Note No. 3</b>		
<b><u>Reserves and Surplus</u></b>		
<b>Surplus</b>		
Balance at the beginning of the year	2,22,35,756	73,58,934
Net Profit/( Loss )for the current year	1,49,26,966	1,48,76,822
Transfer to general reserve	-	-
	<b>3,71,62,722</b>	<b>2,22,35,756</b>
<b>Note No. 4</b>		
<b><u>Long - Term Borrowings</u></b>		
<b><u>Secured Loan</u></b>		
From Bank	2,50,974	5,01,380
<i>(Secured against hypothecation of Vehicle)</i>		
	<b>2,50,974</b>	<b>5,01,380</b>
<b>Note No. 5</b>		
<b><u>Trade Payable</u></b>		
Sundry creditors for good & services	3,47,93,163	4,54,42,597
	<b>3,47,93,163</b>	<b>4,54,42,597</b>
<b>Note No. 6</b>		
<b><u>Other Current Liabilities</u></b>		
(a) Statutory Liabilities	27,51,898	16,07,318
(b) Other Liabilities	34,34,917	2,25,86,438
	<b>61,86,815</b>	<b>2,41,93,756</b>
<b>Note No. 7</b>		
<b><u>Short Term Provisions</u></b>		
Provision for Bonus/ Exgratia	2,45,696	3,00,966
Provision for Tax (Net)	30,38,348	62,61,558
	<b>32,84,044</b>	<b>65,62,524</b>

**ASHWA MINERALS PVT LTD.**  
**NOTES FORMING PART OF INTEGRAL FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2017**

**Fixed Assets**

**Note - 8**

(Amount in Rs)

Particulars	Gross Block			Depreciation			Net Block		
	As At 1st April 2016	Additions	Deductions	As At 31st March 2017	As At 1st April 2016	For The Year	On Deductions	As At 31st March 2017	As At 31st March 2016
Office Equipment	3,50,400	8,230		3,58,630	2,58,608	43,513		56,509	1,74,031
Furniture & Fixture	39,628			39,628	24,385	4,167		11,076	20,977
Computer	73,022			73,022	38,977	21,532		12,513	29,106
Vehicle	10,74,189			10,74,189	3,04,780	2,17,898		5,51,510	10,73,397
<b>Total</b>	<b>15,37,239</b>	<b>8,230</b>	<b>-</b>	<b>15,45,469</b>	<b>6,26,750</b>	<b>2,87,110</b>	<b>-</b>	<b>6,31,608</b>	<b>12,97,511</b>
Previous Year	15,09,289	27,950	-	15,37,239	2,11,777	4,14,972	-	9,10,489	6,26,749



**ASHWA MINERALS PRIVATE LIMITED**

NOTES FORMING PART OF INTEGRAL FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2017

(Amount in Rupees)

Particulars	31st March 2017	31st March 2016
<b>Note No. 9</b>		
<b>Other Non-current assets</b>		
Unamortized expenses	-	6,500
	-	6,500
<b>Note No. 10</b>		
<b>Inventories</b>		
(As taken ,valued and certified by the management)		
Raw Materials	-	67,36,378
Packing Materials	5,62,918	4,16,880
Finished Stock	2,25,000	9,11,916
	7,87,918	80,65,175
<b>Note No. 11</b>		
<b>Trade Receivables</b>		
(Unsecured, considered good, unless otherwise stated)		
Over Six Months	94,78,318.94	78,44,830
Others	2,55,90,869	3,47,40,420
	3,50,69,188	4,25,85,250
<b>Note No. 12</b>		
<b>Cash and Bank Balances</b>		
<b>I.Cash and Cash Equivalents</b>		
a.Cash on Hand	59,838	77,672
b.Balances with Banks:		
In Current Accounts	1,02,25,942	1,07,65,323
	1,02,85,780	1,08,42,995
<b>II.Other Balances</b>		
Term Deposit more than 12 months Maturity	-	39,593
(Under Lien with Bank against Bank Gurantee)		
	1,02,85,780	1,08,82,588
<b>Note No. 13</b>		
<b>Short-term Loans and Advances</b>		
Unsecured (considered good, unless otherwise stated)		
(a) Sale tax Deposit	20,000	20,000
(b) Other Deposit	70,000	70,000
(c) Other Loans and Advances	39,37,587	11,77,155
(d) Advance to Suppliers	3,08,37,735	3,51,41,583
	3,48,65,322	3,64,08,738

**ASHWA MINERALS PRIVATE LIMITED**

NOTES FORMING PART OF INTEGRAL FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2017

(Amount in Rupees)

Particulars	31st March 2017	31st March 2016
<b>Note No. 14</b>		
<b>Sales</b>		
Domestic Sales	6,43,96,481	9,91,19,599
Export Sales	6,93,63,432	2,71,01,091
	<b>13,37,59,913</b>	<b>12,62,20,690</b>
<b>Note No. 15</b>		
<b>Other Income</b>		
Exchange Rate Difference	-	1,38,060
Gain on Sale of Investments	10,29,778	4,85,342
Amount Written Back	-	2,50,320
Misc Receipts	8,697	6,59,073
	<b>10,38,475</b>	<b>15,32,795</b>
<b>Note No. 16</b>		
<b>Cost of material consumed</b>		
<b>a) Raw Material Consumed</b>		
Opening stock of raw materials	67,36,378	1,52,04,132
Raw Materials Purchased	77,40,572	60,52,325
Less: Closing Stock of raw materials	-	(67,36,378)
Cost of raw material consumed	<b>1,44,76,950</b>	<b>1,45,20,079</b>
	[A]	
<b>b) Packing Material Consumed</b>		
Opening stock	4,16,880	15,47,228
Purchase	16,33,719	33,13,768
Less: Closing Stock	(5,62,918)	(4,16,880)
Cost of packing material consumed	<b>14,87,681</b>	<b>44,44,116</b>
	[B]	
	[A+B]	
	<b>1,59,64,631</b>	<b>1,89,64,195</b>
<b>Note No. 17</b>		
<b>Change in Inventories</b>		
Opening Stock of finished goods	9,11,916	21,36,614
Closing Stock of finished goods	(2,25,000)	(9,11,916)
	<b>6,86,916</b>	<b>12,24,698</b>

Particulars	31st March 2017	31st March 2016
<b>Note No. 18</b>		
<b><u>Employee Benefit Expenses</u></b>		
Salaries, Wages, Allowances and Bonus	43,78,584	55,74,148
Staff Welfare	1,211	74,711
	<b>43,79,795</b>	<b>56,48,859</b>
<b>Note No. 19</b>		
<b>Finance Cost</b>		
Interest on Car Loan	41,361	-
Bank Charges	4,50,307	-
	<b>4,91,668</b>	<b>-</b>
<b>Note No. 20</b>		
<b><u>Manufacturing &amp; Other Expenses</u></b>		
Job Work Expenses	1,09,02,879	2,35,88,311
Transportation expenses	6,06,552	1,69,39,699
Miscellaneous Expenses	-	98,607
	<b>1,15,09,431</b>	<b>4,06,26,617</b>
<b><u>Selling &amp; Distribution Expenses</u></b>		
Export Freight	1,05,46,328	20,68,432
Export Shipment Expense	1,16,35,640	28,07,375
Business Promotion Expenses	3,83,050	92,661
Other selling & distribution expenses	1,05,55,139	39,41,271
	<b>3,31,20,157</b>	<b>89,09,739</b>
<b><u>Administrative &amp; Other Expenses</u></b>		
Audit Fees	97,750	96,900
Conveyance	90,460	2,22,518
Traveling expense	4,99,812	7,34,490
Legal & Professional Expense	15,49,114	1,82,594
Rate & Taxes	36,500	36,078
Preliminary Exp written off	6,500	6,500
Rent & Royalty	-	-
Printing & Stationery Exps	28,962	1,32,490
Postage & Courier	67,096	18,568
Telephone expenses	38,658	60,812
General Expense	3,72,398	13,69,321
Foreign Exchange Fluctuation Loss	6,52,876	
Sundry Balance written off	21,873	1,91,032
	<b>34,61,998</b>	<b>30,51,302</b>
<b>Grand Total</b>	<b>4,80,91,586</b>	<b>5,25,87,659</b>

# Ashwa Minerals Private Limited

## Notes Forming Integral Part of the Financial Statements as at 31st March, 2017

Note 1: Significant accounting policies and other notes

### 1) Significant Accounting Policies:

#### 1.1 Basis of Accounting:

The Financial Statements have been prepared in accordance with the principles laid down in the Accounting Standards specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other Accounting Principle Generally Accepted Accounting in India and are based on the historical cost convention on an accrual basis.

#### 1.2 Use of Estimates:

The preparation of financial statement in conformity with GAAP requires the management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosures of contingent assets and liabilities at the date of financial statements and the reported amount of revenues and expenses during the reporting period. Actual result could differ from these estimates. Any revision to accounting estimated is recognized prospectively in current and future periods.

#### 1.3 Fixed Assets:

Fixed Assets are stated at cost of acquisition, inclusive of any cost attributable for bringing the asset to it working condition for its intended use less accumulated depreciation.

#### 1.4 Depreciation:

Dcpreciation on fixed assets is provided on Written down value method, at the rates and in the manner prescribed in Schedule II of the Companies Act, 2013.

#### 1.5 Inventories:

- i. Raw material, stores and spares are valued at cost determined on FIFO basis.
- ii. Stock of finished and semi-finished good is valued at lower of the cost or net realizable value.

### **1.6 Taxation:**

Provisions are made for current income tax based on tax liability computed in accordance with relevant tax rates and tax laws. Deferred tax is recognized, subject to the consideration of prudence, on timing difference, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

### **1.7 Provision and contingencies:**

The company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation or present obligation that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made.

## Ashwa Minerals Private Limited

### Notes Forming Integral Part of the Financial Statements as at 31<sup>st</sup> March, 2017

22) Balances for loans and advances, trade receivable, trade payable etc are subject to confirmations from respective parties & reconciliation, if any, in some cases. In absence of such confirmations, the balances as per books have been relied upon by the auditors.

**23) Payment to Auditors:**

Particulars	2016 - 17 (Rs.)	2015 - 16 (Rs.)
Statutory Audit Fees (exl. Service Tax)	60,000	60,000
Tax Audit Fees (exl. Service Tax)	25,000	25,000
Other Services	-	-
<b>Total</b>	<b>85,000</b>	<b>85,000</b>

24)

Particulars	SBNs	Other Denomination Notes	Total
Closing Cash in hand as on 08.11.2016	42,500	186	42686
(+) Permitted receipts	-	80,000	80,000
(-) Permitted Payments	-	7,041	7,041
(-) Amount deposited in Banks	42,500	-	42,500
<b>Closing cash in hand as on 30.12.2016</b>	<b>-</b>	<b>73,145</b>	<b>73,145</b>

25) In the opinion of the Directors, the current assets, loans and advances are approximately of the value as stated in the balance sheet, if realized in the

ordinary course of the business. The provision of all known liabilities is adequate and not in excess of the amount reasonably required.

**26) Earnings Per Share:**

The Basic/Diluted earnings per share is computed by dividing net profit attributable to equity shareholders for the financial year by weighted average number of equity shares outstanding during the financial year.

Particulars	Mar 31, 2017	Mar 31, 2016
Net Profit / (loss) after tax attributable to Equity Shareholders	14,926,966	14,876,822
Weighted Average Number of Equity Shares	10,000	10,000
Basic & Diluted Earnings Per Share	1492.70	1487.68

**27) Related Party Disclosures:**

**Holding Company:**

**ASHOK ALCO-CHEM LIMITED (w.e.f.31.03.2016)**

Related Parties
<u>Key Management Personnel</u>
1. Manoj Ganatra
2. Sunil K. Shah

**Related Party Outstanding Balances:**

(Rs. in Lacs)

Particulars	2016-17	2015-16
<u>Key Management Personnel</u>		
Long Term Borrowings	NIL	NIL

28) The Company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence, disclosures relating to amounts unpaid as at the year - end together with interest paid/ payable under this Act have not been given.

29) Additional information (as certified by the Management)

a) Details of Materials Consumed:

(Rs. in Lacs)

Material	2016 - 2017			2015 - 2016		
	Total	Indigenous	Imported	Total	Indigenous	Imported
Raw Minerals/others	159.65	159.65 100%	-	189.64	189.64 100%	-

b) Earning in foreign currency:

(Rs. in Lacs)

Earning in Foreign currency	2016 - 17	2015-16
FOB value for exports	630.46	243.93

c) Expenditure in Foreign Currency:

(Rs. in Lacs)

	2016 - 17	2015 - 16
Freight	91.68	-
Travelling	5.73	-
Bank Charges (FBC)	2.93	-

30) Previous year's figures are regrouped and rearranged, wherever necessary.



As per our report of even date

For Atul HMV & Associates LLP

Chartered Accountants

FRN: 124043W

Hemanshu M. Vora

Partner

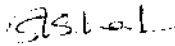
Mem No. : 100283


Mumbai

May 17<sup>th</sup>, 2017



For and on behalf of the Board

  
Sunil Shah  
Director

  
Manoj Ganatra  
Director

