

MMPALOD & CO; CHARTERED ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To
The Members of
GEEKAY WIRES LIMITED,
Hyderabad.

Report on the Financial Statements

We have audited the accompanying Financial Statements of **GEEKAY WIRES LIMITED ("the Company")**, which comprise of the Balance Sheet as at **31st March 2018**, the Profit and Loss Account, the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for Financial Statements

The Company's Board of Directors are 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 of the Company in accordance with the accounting principles generally accepted in India, including 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 judgements 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 misstatements, whether due to fraud or error.



**4-1-371, 2ND Floor, Kundas Estates, adj. Hotel Jaya International,
Abids, Hyderabad-500001. Mobile No: 9849467807.**

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken in 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 thereunder.

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 audit considers internal financial control relevant to the Company's preparation of the financial statements that given 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis from 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 together with notes thereon and attached thereto, give the information required by the Act in the matter 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.



Report on Other Legal and Regulatory Requirements

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

01. As required by the Companies (Auditors Report) Order, 2016 ("the order") issued by the Central Government in terms of Section 143(11) of the Act, we give in the **"Annexure A"** a statement on the matters specified in paragraph 3 and 4 of the said order.
02. As required by Section 143(3) of the Act, we report that:
 - (i) 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;
 - (ii) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (iii) The Balance Sheet, Profit and Loss Account and Cash flow Statement dealt with by this Report are in agreement with the books of account;
 - (iv) 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.
 - (v) On the basis of written representations received from the directors, as on 31st March, 2018 and taken on record by the Board of Directors, we report that none of the directors are disqualified as on 31st March, 2018 from being appointed as a director in terms of section 164(2) of the Act.
 - (vi) 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"**.



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- (vii) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- a. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - b. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
 - c. There were no pending amounts which were, required to be transferred to the Investor Education and Protection Fund by the Company.

Place: Hyderabad
Date: 29/05/2018

For MM PALOD & CO.,
Chartered Accountants
Firm Regn.No.0060207S



Murali Manohar Palod
(Proprietor)
M.No -200858.

ANNEXURE -A TO AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' of our Audit Report of even date to the members of **M/s. GEEKAY WIRES LIMITED** on the Financial Statements of the Company for the year ended on 31st March 2018)

- 1)
 - a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets, on the basis of the information made available to us;
 - b) As explained to us, these Fixed Assets have been physically verified by the Management at reasonable intervals; and no material discrepancies were found on such verification.
 - c) According to the information and explanations given to us and on the basis of records examined by us, the title deeds of the immovable properties are held in the name of the Company.
- 2) In our opinion, the inventories have been physically verified during the year by the Management at reasonable intervals and as explained to us no material discrepancies were noticed on physical verification.
- 3) The Company has not granted any loans, secured or unsecured to companies, firms LLPs' or other parties covered in the register maintained under section 189 of the Companies Act. Therefore, sub clauses (a), (b), (c) of Paragraph 3(iii) of the Order is not applicable.
- 4) In our opinion and according to the information and explanation given to us, the Company has not granted any loans nor made any investments and provided guarantees and securities, as per the provisions of Section 185 and Section 186 of the Companies Act, 2013. Therefore Paragraph 3(iv) of the order is not applicable.
- 5) The Company has not accepted any deposits from the public during the year. Hence Clause 3(v) of the Order is not applicable.



- 6) Maintenance of cost records has been specified by the Central Government under sub-section (1) of Section 148 of the Companies Act. However, the management explained that the information relating to cost data is available from the existing records maintained by the company.
- (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 the undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues as applicable with the appropriate authorities. There are no arrears of undisputed statutory dues outstanding as at March 31, 2018 for a period of more than six months from the date they become 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 income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess which have not been deposited on account of any dispute.
- 7) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institutions or Banks or Debenture holders during the year.
- 8) The company has raised Funds by issue of 33,32,000 shares @ 33 per share and as per the explanation given to us the funds were utilized for the purpose for which it was raised.
- 9) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- 10) The managerial remuneration paid/provided during the year is in accordance with the provisions of sec 197 read with schedule V of the companies Act 2013. The company was a Private Limited company till 13.01.2017 and thereafter converted as a Limited company and listed on National stock Exchange during the year.



- 11) In our opinion and according to the information and explanation given to us, the Company is not a Nidhi Company. Accordingly, Paragraph 3(xii) of the Order is not applicable.
- 12) According to the information and explanations given to us based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 & 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- 13) According to the information and explanations given to us and based on the examination of the records of the Company, the Company has not made any preferential allotment or private placements of shares or fully or partly convertible debentures during the year. Hence, Paragraph 3(xiv) of the Order is not applicable.
- 14) According to the information and explanations given to us and based on the examination of the records of the Company, the Company has not entered into non- cash transaction with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- 15) In our opinion and according to the information and explanations provided to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

Place: Hyderabad
Date: 29/05/2018

For MM PALOD & CO.,
Chartered Accountants
Firm Regn.No.0060207S



Murali Manohar Palod
(Proprietor)
M.No -200858

ANNEXURE - B TO AUDITORS' REPORT

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 **GEEKAY WIRES LIMITED** ("the Company") as of 31st March, 2018 in conjunction with our audit of the 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 31st March, 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 Institute of Chartered Accountants of India.

Place: Hyderabad
Date: 29/05/2018

For MM PALOD & CO.,
Chartered Accountants
Firm Regn.No.0060207S



Murali Manohar Palod
(Proprietor)
M.No -200858

GEEKAY WIRES LIMITED

11-70/5, G.P.COMPLEX, BALANAGAR, HYDERABAD-500018

CIN No. U28999TG1989PLC010271

Balance Sheet as at 31st March, 2018

Amount in Rs.

Particulars	Note	As at March 31, 2018	As at March 31, 2017
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	8,33,20,000	5,00,00,000
(b) Reserves and Surplus	2	14,87,08,441	6,38,81,026
(2) Share application money pending allotment		-	-
(3) Non-Current Liabilities			
(a) Long-term borrowings	3	27,26,22,904	19,29,75,691
(b) Deferred tax liabilities (Net)	4	1,60,94,651	70,14,446
(c) Other Long term liabilities		-	-
(d) Long term provisions		-	-
(4) Current Liabilities			
(a) Short-term borrowings	5	43,32,59,568	31,01,53,560
(b) Trade payables	6	12,74,71,845	3,71,11,566
(c) Other current liabilities	7	10,02,02,583	3,05,73,205
(d) Short-term provisions	8	37,78,701	20,99,122
Total		1,18,54,58,692	69,38,08,616
II.Assets			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	9	33,02,57,127	17,76,09,970
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		-	8,53,95,015
(iv) Intangible assets under development		-	-
(b) Non-current investments		-	-
(c) Deferred tax assets (net)		-	-
(d) Long term loans and advances	10	1,83,56,182	1,50,58,941
(e) Other non-current assets		-	-
(2) Current assets			
(a) Current investments		-	-
(b) Inventories	11	24,98,67,922	9,08,11,718
(c) Trade receivables	12	38,65,32,865	20,21,48,672
(d) Cash and cash equivalents	13	8,11,81,205	3,88,31,477
(e) Short-term loans and advances	14	11,58,03,693	8,26,48,069
(f) Other current assets	15	34,59,698	13,04,754
Significant accounting policies & notes on accounts:	23		
Total		1,18,54,58,692	69,38,08,616

For GEEKAY WIRES LIMITED

1

Ashish Kandoi
CFO & Whole Time Director
(DIN No. 00463257)

2

Ghanshyam Dass
Chairman & Managing Director
(DIN No. 01539152)

3

Mahesh Reddy Vemula
Company Secretary & Compliance Officer

Vide our Report of Even Date

For MM PALOD & CO.,

Chartered Accountants

FRN.00602075

Proprietor
(Murli Manohar Palod)

M.No.200858

Place: Hyderabad


Date: May 29, 2018

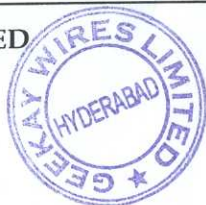
GEEKAY WIRES LIMITED
11-70/5, G.P.COMPLEX, BALANAGAR, HYDERABAD-500018
CIN No. U28999TG1989PLC010271
STATEMENT OF PROFIT AND LOSS

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


Particulars	Note No.	Year ending 31.03.2018	Year ending 31.03.2017
I. Revenue from operations	16	1,23,67,84,039	64,31,75,288
II. Other Income	17	2,71,76,968	2,83,88,235
III. Total Revenue (I + II)		1,26,39,61,007	67,15,63,523
IV. Expenses:			
Cost of materials consumed	18	1,10,03,86,851	56,74,89,514
Purchase of Stock-in-Trade			
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	19	(6,14,31,366)	(1,68,53,671)
Employee benefit expense	20	2,11,85,590	1,37,34,494
Financial costs	21	5,43,76,673	3,57,07,992
Depreciation and amortization expense	9	1,40,70,034	71,45,165
Other expenses	22	11,79,73,743	5,46,84,462
Total Expenses		1,24,65,61,525	66,19,07,956
V. Profit before exceptional and extraordinary items and tax (III - IV)		1,73,99,482	96,55,567
VI. Exceptional Items		-	-
VII. Profit before extraordinary items and tax (V - VI)		1,73,99,482	96,55,567
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII - VIII)		1,73,99,482	96,55,567
X. Tax expense:			
(1) Current tax after adjusting MAT Credit		1,27,862	3,83,637
(2) Deferred tax		90,80,205	27,43,498
XI. Profit(Loss) from the period from continuing operations (VII-VIII)		81,91,415	65,28,432
XII. Profit/(Loss) from discontinuing operations		-	-
XIII. Tax expense of discounting operations		-	-
XIV. Profit/(Loss) from Discontinuing operations (XII - XIII)		-	-
XV. Profit/(Loss) for the period (XI + XIV)		81,91,415	65,28,432
XVI. Earning per equity share:			
(1) Basic		0.98	1.31
(2) Diluted		0.98	1.31

For GEEKAY WIRES LIMITED


1 
Ashish Kandoi
CFO & Whole Time Director
(DIN No. 00463257)



2 
Ghanshyam Dass
Chairman & Managing Director
(DIN No. 01539152)

3 
Mahesh Reddy Vemula
Company Secretary & Compliance Officer

Vide our Report of Even Date
For MM PALOD & CO.,
Chartered Accountants
FRN.00602075


Proprietor
(Murli Manohar Palod)
M.No.200858
Place: Hyderabad
Date: May 29, 2018

GEEKAY WIRES LIMITED


11-70/5, G.P.COMPLEX, BALANAGAR, HYDERABAD-500018

CIN No. U28999TG1989PLC010271

CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2018


Sl. No.	Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
A)	<u>CASH FLOW FROM OPERATING ACTIVITIES</u>		
	Net Profit before Tax	1,73,99,482	96,55,567
	<u>Adjustment for :</u>		
	Depreciation & Amortization Expenses	1,40,70,034	71,45,165
	Interest paid	5,07,01,664	3,55,42,650
	Profit on Sale of Assets	-	
	Interest Received	(36,19,924)	(44,42,391)
	Profit from Foreign Exchange Fluctuations	23,43,816	
	Operating profit before Working Capital changes	8,08,95,073	4,79,00,992
	<u>Adjustment for</u>		
	Increase(Decrease) in Other Non Current Assets		
	Increase(Decrease) in Inventories	(15,90,56,204)	(1,20,48,524)
	Increase(Decrease) in Trade receivables	(18,43,84,193)	(3,30,21,562)
	Increase(Decrease) in Short term loan & Advances	(3,31,55,623)	(5,94,21,128)
	Increase(Decrease) in Other Current Assets	(21,54,941)	5,50,433
	Increase(Decrease) in Trade Payables	9,03,60,279	(6,05,42,002)
	Increase(Decrease) in Other Current Liabilities	6,96,29,378	(1,90,912)
	Increase(Decrease) in Short term provisions	16,79,579	(21,59,162)
	Cash generated from operations	(21,70,81,726)	(16,68,32,857)
	Net Cash flow from Operations	(13,61,86,653)	(11,89,31,865)
B)	<u>CASH FLOW FROM INVESTING ACTIVITIES</u>		
	Purchase of Tangible Assets	(8,13,22,177)	(12,73,03,281)
		(8,13,22,177)	(12,73,03,281)
C)	<u>CASH FLOW FROM FINANCIAL ACTIVITIES</u>		
	Issue of Shares	10,99,56,000	-
	Increase(Decrease) in Longterm Liabilities	7,96,47,213	8,60,33,939
	Increase(Decrease) in Longterm Loans and Advances	(32,97,241)	(55,43,688)
	Increase(Decrease) in Short Term Borrowings	12,31,06,008	18,72,54,932
	Interest paid	(5,07,01,664)	(3,55,42,650)
	Income Tax	(1,27,862)	(3,83,637)
	Interest Received	36,19,924	44,42,391
		26,22,02,375	23,62,61,287
	Net Increase (Decrease) in Cash & Cash Equivalents	4,46,93,546	(99,73,860)
	Opening Balance of Cash & Cash Equivalents	3,88,31,477	4,88,05,338
	Less : Profit From Foreign Fluctuations	(23,43,816)	-
	Closing Cash & Cash Equivalents	8,11,81,205	3,88,31,477

For GEEKAY WIRES LIMITED

1 
Ashish Kandoi
CFO & Whole Time Director
(DIN No. 00463257)




2 
Ghanshyam Dass
Chairman & Managing Director
(DIN No. 01539152)

3 
Mahesh Reddy Vemula
Company Secretary & Compliance Officer

Vide our Report of Even Date
For MM PALOD & CO.,
Chartered Accountants

FRN.0060207S


Proprietor
(Murli Manohar Palod)
M.No.200858
Place: Hyderabad
Date: May 29, 2018

GEEKAY WIRES LIMITED
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2018

Particulars	As at March 31, 2018	As at March 31, 2017
1. SHARE CAPITAL		
Equity Share, of Rs.10/- par value 1,00,00,000 (1,00,00,000) equity shares	10,00,00,000	10,00,00,000
Issued, Subscribed and Paid Up		
Equity Share, of Rs.10/- par value 83,32,000 (50,00,000) equity shares	8,33,20,000	5,00,00,000
Total	8,33,20,000	5,00,00,000
Reconciliation of the number of shares is set out below:		
Equity Shares at the beginning of the year	50,00,000	50,00,000
Add: Shares issued during the year	33,32,000	-
Equity Shares at the end of the year	83,32,000	50,00,000
Details of Shareholders holding more than 5% shares:		
Ashish Kandoi (4,24,000 Shares)	5.09	8.00
Kandoi Industries India Pvt Ltd (24,00,000 Shares)	28.80	48.00
Saroj Bala (5,51,005 Shares)	6.61	9.50
Ghanshyam Dass (5,34,000 Shares)	6.41	9.00
Ghanshyam Dass HUF (5,73,500 Shares)	6.88	11.39

2. RESEVES AND SURPLUS

Particulars	As at March 31, 2018	As at March 31, 2017
a) Securities Premium Reserve-Opening	67,50,000	67,50,000
Add: Addition During The Year	7,66,36,000	-
Less: Deletion During The Year	-	-
Closing Balance	8,33,86,000	67,50,000
b) Revaluation Reserve-Opening	4,68,03,040	4,68,03,040
Add: Addition During The Year	-	-
Less: Deletion During The Year	-	-
Closing Balance	4,68,03,040	4,68,03,040
c) Profit and loss account		
Surplus - Opening Balance	1,03,27,986	37,99,554
Add: Net Profit after tax transferred from Statement of Profit & Loss Account	81,91,415	65,28,432
Less: Adjustment for Depreciation on Fixed Assets	-	-
	1,85,19,401	1,03,27,986
Total	14,87,08,441	6,38,81,026



3. LONG TERM BORROWINGS

Particulars	As at March 31, 2018	As at March 31, 2017
Secured:		
a) Other Loans & Advances		
i) from Financial Institutions #	20,57,60,927	12,71,47,267
Unsecured:		
a) Loans from Financial Institutions*	-	-
b) Loans from Others	6,68,61,977	6,58,28,424
	6,68,61,977	6,58,28,424
Total	27,26,22,904	19,29,75,691

#Secured Loans from Financial Institutions referred above, to the extent of, Buyers Credit, Term Loans and Credit Card Dues.

The Term Loans are secured by means of 1st Pari-Passu charge on the fixed assets of the company, which were created out of the said loans. These term loans are repayable on agreed terms and sanctions. Further these loans were secured by motagage of various properties standing in the name of the company and also the personal gurantees of the directors

* Unsecured Loans are raised for business pupose only. No specific security was offered except general lien on the assets of the company.

4. DEFERRED TAX LIABILITY (NET)

Particulars	As at March 31, 2018	As at March 31, 2017
Related to depreciation on Fixed Assets	1,60,94,651	70,14,446
Total	1,60,94,651	70,14,446

5. SHORT TERM BORROWINGS

Particulars	As at March 31, 2017	As at March 31, 2017
Secured:		
a) Working Capital Loans from Banks#	43,32,59,568	31,01,53,560
Unsecured:		
a) Other Loans & Advances	-	-
Total	43,32,59,568	31,01,53,560

Working capital loan taken from City Union Bank, is secured by hypothecation of stock & book debts,

6. TRADE PAYABLES:

Particulars	As at March 31, 2018	As at March 31, 2017
a) Micro, Small, Medium Enterprises	-	-
b) Others *	12,74,71,845	3,71,11,566
Total	12,74,71,845	3,71,11,566

The Details of Amounts payable to Micro, Small and Medium Enterprises is based on the information provided by the Management. Further, there are no delayed payments to MSME Entities during the year as per the information provided by the Management, which has been relied upon.

Sub Note:

Trade Payable as on March 31, 2018 is taken as certified by the management. No security has been given for the same



7. OTHER CURRENT LIABILITIES:

Particulars	As at March 31, 2018	As at March 31, 2017
a) Creditors for Capital Expenditure		
b) Advance Received from Customers	10,01,18,255	15,92,472
c) Other Payables *	84,328	40,69,303
d) Current portion of term loans (payable in next one year)	-	2,49,11,430
Total	10,02,02,583	3,05,73,205

Sub Note:

Advance Received from Customers as on 31st March 2018 is taken certified by the management. No security has been given for the same.

8. SHORT TERM PROVISIONS:

Particulars	As at March 31, 2018	As at March 31, 2017
a) Provision for Employee Benefits	69,534	92,746
b) Internal Audit Fees payable	30,000	-
c) Provision for Income Tax	36,79,167	20,06,376
Total	37,78,701	20,99,122

Sub Note:

Short Term Provisions as on March 31, 2018 includes amount provided based on the management estimation.

10. LONG TERM LOANS & ADVANCES:

Particulars	As at March 31, 2018	As at March 31, 2017
a) Capital Advances	-	-
b) Security Deposits	1,31,54,669	1,34,08,733
c) MAT credit to be adjusted	52,01,513	16,50,208
Total	1,83,56,182	1,50,58,941

MAT tax credit for A.Y.2015-16 - Rs.27,468/-

MAT tax credit for A.Y.2017-18 - Rs.16,22,739/-

MAT tax credit for A.Y.2018-19 - Rs.35,51,305/-

11. INVENTORIES:

Particulars	As at March 31, 2018	As at March 31, 2017
a) Raw Materials	15,67,66,381	5,91,41,543
b) Work in Progress	5,67,98,185	52,67,856
c) Finished Goods	3,29,13,208	2,42,64,711
d) Stock in Trade (Goods acquired for trading)	30,20,033	21,37,608
f) Scrap	3,70,115	-
-Mode of valuation refer Note-24		
Total	24,98,67,922	9,08,11,718

Sub Note:

Inventories as on March 31, 2018 has been taken, valued as certified by the management and the same was Physically verified by management on 31st March, 2018.



12. TRADE RECEIVABLES:
(Unsecured, Considered good)

Particulars	As at March 31, 2018	As at March 31, 2017
Over Six Months	3,99,75,934	7,95,88,078
Others	34,65,56,931	12,25,60,594
Total	38,65,32,865	20,21,48,672

Sub Note :

Amounts Receivable from Debtors as on March 31, 2018 taken as certified by management and considered

13. CASH & BANK BALANCES:

Particulars	As at March 31, 2018	As at March 31, 2017
Balance with Banks	3,06,44,282	3,12,114
Cash on Hand	13,02,329	6,79,719
Fixed Deposits*	4,92,34,594	3,78,39,644
Total	8,11,81,205	3,88,31,477

* Includes deposits with banks and margin money against the Bank Guarantee.

Sub Note

Cash In Hand is taken as certified by the mangagement as on 31st March 2018.

14.SHORT TERM LOANS AND ADVANCES

(Unsecured, Considered good)

Particulars	As at March 31, 2018	As at March 31, 2017
a) Advance to Suppliers	-	5,63,98,021
c) Balance with Revenue Authorities	11,57,57,793	2,61,35,537
d) Staff Advance	45,900	72,900
e) Others	-	41,611
Total	11,58,03,693	8,26,48,069

Sub Note

Balance With Revenue Authorities includes Duty credit scrips Receivable under MIES Scheme from and also includes GST receivable, Excise Duty Receivable, and deposits with Vat & Service Tax Departments.

15. OTHER CURRENT ASSETS:

Particulars	As at March 31, 2018	As at March 31, 2017
a) Interest accrued on fixed deposits	8,82,234	8,70,983
a) Advance Tax & TDS & TCS	25,44,096	3,80,771
b) Others*	33,368	53,000
Total	34,59,698	13,04,754



16. REVENUE FROM OPERATIONS:

Particulars	As at March 31, 2018	As at March 31, 2017
Sale of Products (Total)	1,23,64,49,784	63,64,86,880
Operating Income*	3,34,255	66,88,408
Total	1,23,67,84,039	64,31,75,288

* Operating income includes freight charges, packing charges etc.

17. OTHER INCOME:

Particulars	As at March 31, 2018	As at March 31, 2017
Interest income	36,19,924	44,42,391
L.D. deduction amount recovered	-	2,11,07,233
Rent Income	1,10,000	2,47,500
Commission	14,264	-
Service tax input	-	1,47,048
Duty credit scrip scheme under MIES scheme	1,25,25,271	-
Duty Draw Back on export sales	83,50,181	-
Profit on Foreign Exchange Fluctuation	23,43,816	17,99,966
Rate & Weight Difference	1,60,307	1,91,510
Other Non Operating Income*	53,206	4,52,587
Total	2,71,76,968	2,83,88,235

* Includes sundry balances written off and other misc. income.

18. COST OF MATERIALS CONSUMED:

Particulars	As at March 31, 2018	As at March 31, 2017
Purchase of Raw Materials	1,18,39,36,140	56,66,61,817
Add: Purchase of Consumable stores(exempted)	16,94,179	16,64,305
Add: Import Duty	42,59,216	2,08,387
Add: Freight Charges	2,51,17,611	85,86,955
Add: Transportation Charges	1,71,935	53,201
Add: Clearing and Forwarding Charges	15,00,150	6,47,285
Less: Discount on Purchases	1,86,67,542	1,51,37,583
Add: Opening Bal. of Raw materials	5,91,41,543	6,39,46,690
Less: Closing Stock	15,67,66,381	5,91,41,543
Total	1,10,03,86,851	56,74,89,514



19. CHANGES IN INVENTORIES

Particulars	As at March 31, 2018	As at March 31, 2017
Finished Goods		
- Opening Balance	2,42,64,711	92,43,580
Less: Closing Balance	3,29,13,208	2,42,64,711
	(86,48,497)	(1,50,21,131)
Work In Progress		
- Opening Balance	52,67,856	35,78,520
Less: Closing Balance	5,67,98,185	52,67,856
	(5,15,30,329)	(16,89,336)
Stock In Trade		
- Opening Balance	21,37,608	19,94,404
Less: Closing Balance	30,20,033	21,37,608
	(8,82,425)	(1,43,204)
Others (Packing & HR/CR Sheets)		
- Opening Balance	-	-
Less: Closing Balance	3,70,115	-
	(3,70,115)	-
Total	(6,14,31,366)	(1,68,53,671)

20. EMPLOYEE BENEFIT EXPENSES:

Particulars	As at March 31, 2018	As at March 31, 2017
Salaries & Wages	1,67,63,711	1,13,26,656
Directors Remuneration	34,80,000	16,80,000
Contribution to PF	3,37,496	2,71,412
Staff Welfare Expenses	4,82,720	3,60,332
ESI payments	1,21,663	96,094
Total	2,11,85,590	1,37,34,494

21. FINANCE EXPENSES:

Particulars	As at March 31, 2018	As at March 31, 2017
Interest & Discounting Charges	5,07,01,664	3,55,42,650
Bank Charges	33,28,028	1,42,963
Processing Charges	3,46,980	22,379
Total	5,43,76,673	3,57,07,992



22. OTHER EXPENSES:

Particulars	As at March 31, 2018	As at March 31, 2017
a) Manufacturing Expenses		
Shortages	13,20,413	2,56,367
Loading & Unloading Charges	14,57,911	10,56,400
Entry Tax	-	20,083
Power & Fuel	38,14,132	2,37,12,119
Hire Charges & Handling Charges	37,687	2,53,800
Electricity Charges EPSS`	3,68,02,924	14,93,403
Labour Charges	-	8,725
Works Contract Charges	43,21,303	1,12,21,544
Hamali Charges	6,037	3,244
Repairs & Maintenance of Machinery	7,10,192	19,81,924
	4,84,70,599	4,00,07,609
b) Administrative Expenses		
Inspection Charges	16,561	-
Agency Charges	10,041	-
Audit Expenses	-	28,213
Audit Fee	1,40,000	30,000
Audit Fee (Stock Audit)	-	12,000
Internal audit	30,000	-
Calibration Charges	20,700	26,000
Civil Work Expenses	-	3,850
Commission & Brokerage	5,99,847	6,57,913
Communication Expenses	1,77,959	1,74,500
Conveyance & Travelling	24,76,914	29,70,487
Courier & Postage Expenses	6,04,068	2,34,942
Donations	30,000	-
Electricity Charges	1,10,023	1,02,172
Factory & Office Maintenance	72,091	36,389
Fic Charges	1,20,271	2,48,923
Insurance	2,17,301	1,57,172
L D Charges	48,54,169	-
Late Filing Fee	-	7,300
LC Discounting & Handling Charges	1,11,060	13,762
Licenses & Renewals	6,48,339	2,27,402
Lodging / Boarding Expenses	7,18,046	6,98,897
Membership & Subscription & Renewal	10,017	18,400
Misc Expenses	6,78,322	61,150
Listing Ceremony Expenses	2,99,248	-
Office Rent	1,70,000	1,20,000
Petrol Charges	92,170	2,498
Printing & Stationery	22,03,597	3,40,534
Professional Fees	40,09,126	36,050
Professional Tax	10,000	2,500
Property Tax	1,80,487	1,81,047
Rate & weight difference	1,29,405	-
Rates & Taxes	1,36,721	68,535



Registration & Filing Fee	85,486	4,10,274
Rental Charges	7,50,900	1,01,200
Repair & Maintenance to Vehicles	2,54,004	65,206
Round off	10,775	7
Security Contract Charges	11,75,661	5,95,903
Share issue expenses written off	28,250	-
Trainee Allowance	2,86,500	-
Office Staff Salary	3,12,605	-
Tender Exps	4,27,850	5,16,208
Testing Charges	2,37,505	3,29,208
Wokers Mess Expenses	5,47,980	-
Vendor Registration Charges	89,238	1,09,875
Weighing Charges	52,980	93,630
AMC Charges	31,979	68,000
Computer Expenses	69,310	33,916
Detension Charges	35,300	5,016
Excise Duty Paid on Demand	-	1,94,607
Exhibition Expenses	90,000	1,74,158
Fees for Technical Services	-	200
Freight Outward Expenses	1,88,90,368	2,26,681
General Expenses	43,939	49,303
EGM E-voting charges	14,000	-
Interest on Custom Duty	2,17,818	614
Interest on Late Payment(Excise)	400	2,86,592
Interest on TDS	9,360	15,591
Interest on VAT	-	100
Interest on late payment of service Tax	5,105	-
Interest On Delay Payment	9,258	-
Interest On Esic Late Payment	68,649	-
Income Tax Paid	18,394	-
Gst Expenses	7,982	-
Drum Cost Advance	(1,45,001)	-
Maintenance Charges	16,037	1,29,993
Medical Expenses	76,570	1,40,906
Pollution Expenses	2,34,098	3,16,597
Stamping & Frankling Expenses	1,03,901	2,200
Vehicle Expenses	4,23,560	1,18,961
Water Charges	-	55,000
Website Expenses	26,071	21,000
Consultancy Charges	16,83,550	16,05,052
Stall Expenses	4,20,389	-
Tally Renewal Fees	66,010	-
Penalty	3,500	-
	4,55,56,764	1,21,26,634
c) Selling and Distribution Expenses		
Commisision on Sales	35,88,970	14,86,100
Advertisement and Busines Promotion Expenses	7,967	1,85,439
Packing expense	(34,432)	-
Sales Tax and Service Tax	4,64,020	8,78,680
Export Charges	1,99,19,855	-
	2,39,46,380	25,50,219
Total	11,79,73,743	5,46,84,462



GEEKAY WIRES LIMITED

FIXED ASSETS AS ON 31-03-2018

Statement of Fixed Assets & Depreciation as per Companies Act for the previous year 2017-2018

Note No. 9

Sl.no	Description of Asset	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		Cost as on 01.04.2017 Rs.	Additions During the year	Deletions During the year	Total as on 31.03.18 Rs.	Depreciation As on 01.04.17	Depreciation for the Year Rs.	Deletions During the year	Total Depreciation Rs.	WDV As on 31.03.18	WDV As on 31.03.17
1	LAND	6,84,04,070	85,60,970	-	7,69,65,040	-	-	-	-	7,69,65,040	6,84,04,070
2	FACTORY & OFFICE BUILDING	4,25,64,592	78,78,543	-	5,04,43,135	1,28,06,253	14,32,939	-	1,42,39,192	3,62,03,943	2,97,58,339
3	PLANT AND MACHINERY	11,08,48,536	14,62,43,154	-	25,70,91,691	3,57,53,138	1,06,70,060	-	4,64,23,197	21,06,68,493	7,50,95,399
4	OFFICE EQUIPMENT	11,59,857	7,71,266	-	19,31,123	7,59,235	2,12,049	-	9,71,284	9,59,839	4,00,622
5	COMPUTER	12,84,718	4,88,066	-	17,72,784	9,66,199	3,89,684	-	13,55,884	4,16,900	3,18,519
6	FURNITURE & FIXTURES	36,08,734	-	-	36,08,734	19,23,881	3,43,966	-	22,67,847	13,40,887	16,84,853
7	ELECTRICAL INSTALLATIONS	13,35,272	-	-	13,35,272	6,88,270	86,843	-	7,75,113	5,60,159	6,47,002
8	VEHICLES	21,11,691	27,75,193	-	48,86,884	12,76,770	6,21,921	-	18,98,691	29,88,193	8,34,921
9	DG SET	17,35,000	-	-	17,35,000	13,01,301	2,80,026	-	15,81,327	1,53,673	4,33,699
10	NEW ROAD	1,80,000	-	-	1,80,000	1,47,453	32,547	-	1,80,000	-	32,547
	Total	23,32,32,470	16,67,17,192	-	39,99,49,662	5,56,22,500	1,40,70,034	-	6,96,92,535	33,02,57,127	17,76,09,970



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SCHEDULE - 2

**GEEKAY WIRES LTD
HYDERABAD**

Statement of Fixed Assets & Depreciation as per I.T. Act, 1961 for the previous year 2017-2018

Description of Assets	Rate of Dep.	W.D.V as on 01.04.17	Additions/ Deletions			Total	Depreciation		Total Depreciation	W.D.V as on 31.03.18
			up to 30.09.17	after 30.09.17	Deletion		up to 30.09.17	after 30.09.17		
LAND	0%	6,84,04,070				7,69,65,040	-	-	-	7,69,65,040
FACTORY & OFFICE BUILDING (DG SET INCLUDED)	10%	2,10,45,516	1,15,019	77,63,524	-	2,89,24,059	21,16,054	3,88,176	25,04,230	2,64,19,829
PLANT AND MACHINERY*	15%	6,12,87,217	2,82,98,790	11,79,44,364	-	20,75,30,372	1,90,97,659	2,06,40,264	3,97,37,923	16,77,92,449
OFFICE EQUIPMENT	15%	6,06,049	25,200	7,46,065	-	13,77,314	94,687	55,955	1,50,642	12,26,671
COMPUTER	40%	1,58,305	71,780	4,16,286	-	6,46,371	92,034	83,257	1,75,291	4,71,080
FURNITURE & FIXTURES	10%	20,54,112	-	-	-	20,54,112	2,05,411	-	2,05,411	18,48,701
ELECTRICAL INSTALLATIONS	15%	6,42,796	-	-	-	6,42,796	96,419	-	96,419	5,46,377
VEHICLES	15%	11,30,780	27,75,193	-	-	39,05,973	5,85,896	-	5,85,896	33,20,077
TOTAL		15,53,28,846	3,12,85,982	13,54,31,209	-	32,20,46,037	2,22,88,160	2,11,67,652	4,34,55,813	27,85,90,224

* The company has claimed additional depreciation on machinery @20% of Rs 1,74,54,194/- which is included in Total deprecation of Machinery.



**GEEKAY WIRES LTD
HYDERABAD**

Calculation of Book Profit For MAT	
Particulars	Amount (In Rs.)
Book profit as per Companies Act	81,91,415
Add	
Income Tax Paid or Payable	1,46,256
Deffered Tax	90,80,205
Dividend Paid or proposed	-
Depreciation including Depreciation on revalued assets	1,40,70,034
	3,14,87,910
Less	
Amount withdrawn from any reserve	-
Amount withdrawn from any Revaluation Reserve	-
Depreciation excluding derpreciation revalued assets	1,40,70,034
Deffered Tax Liability	
Book profit	1,74,17,876

Calculation of Deffered Tax Liablity	
	Amount (In Rs.)
Depreciation as per Companies Act	1,40,70,034
Depreciation as per Income Tax	4,34,55,813
Difference	2,93,85,779
DT Liability @ 30.9% for Curent Year	90,80,205
Opening Balance of DTL	70,14,446
Final DTL as on 31.03.2018	1,60,94,651



GEEKAY WIRES LIMITED

11-70/5, G.P.Complex, Balanagar, Hyderabad – 500 018.

Notes to the Accounts as on 31-03-2018

Note No. 23

A) SIGNIFICANT ACCOUNTING POLICIES:

1. Basis of Preparation of Financial Statements:

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the Act"). The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

2. Use of Estimates:

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

3. Inventories:

- (i) Raw Materials have been valued at cost or market value whichever is less.
- (ii) Work in progress has been valued at lower of cost or realizable value.
- (iii) Finished goods have been valued at lower of cost or realizable value.

4. Cash flow statement:

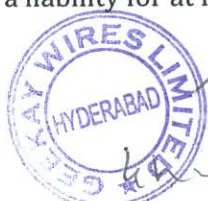
Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

5. Current / Non-current classification:

The Schedule III to the Act requires assets and liabilities to be classified as either Current or Non-current.

An asset is classified as current when it satisfies any of the following criteria:

- (i) it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- (ii) it is held primarily for the purpose of being traded;
- (iii) it is expected to be realized within twelve months after the reporting date; or
- (iv) It is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.



- (v) All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:

- (i) it is expected to be settled in, the Company's normal operating cycle;
- (ii) it is held primarily for the purpose of being traded;
- (iii) it is due to be settled within twelve months after the reporting date; or
- (iv) The Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the opinion of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

6. Revenue Recognition:

- (i) Sale is inclusive of Excise, Sales Tax and other charges.
- (ii) The company follows mercantile system of accounting and recognizes significant items of income and expenditure. Revenue is recognized only when it is reasonably certain that ultimate collection will be made.
- (iii) Interest income is booked on time proportion basis.

7. Fixed assets and depreciation :

- (i) Tangible assets are stated at cost, less accumulated depreciation and impairment, if any. Direct costs are capitalized until such assets are ready for use. Capital work-in-progress comprises the cost of fixed assets that are not yet ready for their intended use at the reporting date.
- (ii) Depreciation:
Depreciation on Tangible Fixed Assets is provided on straight line method on useful lives of the assets as prescribed in Schedule II to the Companies Act, 2013.

8. Employee Benefits:

The management is of opinion that since number of employees of the company is less than as provided under the act and accordingly making provision of the gratuity does not arise. However, if payment on account of gratuity arises due to happening of any incidents as provided under the applicable provisions of the law, the same will be accounted for on cash basis.

9. Borrowing Costs:

Borrowing costs are charged to revenue except where such cost are attributable to the acquisition or construction of qualifying assets in which case it is capitalized as a part of the cost. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended uses.

10. Segment Reporting:

Provisions of Accounting Standard (AS) – 17 issued by the ICAI on 'Segment Reporting' are not been applicable to the Company.

11. Leases:

Lease Payments are recognized as an expense in the Statement of Profit and Loss of the year to which they relate.



12. Earnings per share (EPS):

The Basic EPS is computed by dividing the net / profit (loss) attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting period. Diluted EPS is computed by dividing the net profit / (loss) as adjusted for dividend, interest and other charges to expense or income (net off any attributable taxes) relating to the dilutive potential equity shares by the weighted average number of equity and dilutive equity equivalent shares outstanding during the year, except where the results would be anti-dilutive.

13. Taxes on income:

- (i) Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.
- (ii) Deferred tax is recognized on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognized for all timing differences. Deferred tax assets are recognized for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realized. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realize the assets.

14. Provisions and contingent liabilities:

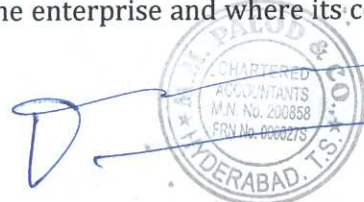
- (i) The Company creates a provision where there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.
- (ii) A disclosure for a contingent liability is made where there is a possible obligation that may, but probably will not require an outflow of resources.
- (iii) When there is a possible obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

15. Impairment of Assets:

Fixed assets are realizable at least to the extent of the values stated against them. Consequently, no impairment of their values as per AS-28 in the opinion of management.

16. Intangible Assets:

Intangible Assets are stated at their cost of acquisition, less accumulated amortization and impairment losses thereon. An Intangible Asset is recognized, where it is probable that the future economic benefits attributable to the Asset will flow to the enterprise and where its cost can be reliably measured.



B) **NOTES TO THE ACCOUNTS**

1) Contingent Liabilities not provided for : (Rs. Lakhs)

	2017-2018	2016-17
i) Claim against the Company not acknowledged as debts.	Rs. NIL	Rs. NIL
ii) Estimate Value of Contracts assigned by the Company and remaining to be executed.	Rs. NIL	Rs. NIL
iii) Guarantees issued by the bank on behalf of the Company.	Rs. 1585	Rs. 1505

- 2) In the opinion of the Management, the current asset, loans & advances are approximately of the value stated, if realized in normal course of the business of the company. The provision for depreciation and all known liabilities made except where specifically stated otherwise is considered adequate and not in excess of amounts reasonably considered necessary.
- 3) The Balances to the debit of or credit of the various parties' accounts appearing in sundry debtors, loans and advances, unsecured loans, sundry creditors and other liabilities are subject to confirmation.
- 4) Depreciation on Fixed Assets has been provided during the year to the tune of Rs.1.41 Cr's, as per the revised rates prescribed under Schedule II of the Companies Act, 2013.
- 5) Fixed assets are realizable at least to the extent of the values stated against them. Consequently, no impairment of their values as per AS-28 in the opinion of management.

6) Information on Related Party Disclosures

Name of the Party	Relation	Nature of Transaction	As on 31.03.2018	As on 31.03.2017
Anuj Kandoi	Director	Remuneration	10,80,000.00	10,80,000.00
Ashish Kandoi	Director	Remuneration	10,80,000.00	2,70,000.00
Ghanshyam Dass	Director	Remuneration	13,20,000.00	330,000.00
Anuj Kandoi	Director	Interest	7,75,582.00	1184.00
Ashish Kandoi	Director	Interest	1,00,701.00	0.00
Ghanshyam Dass	Director	Interest	4,83,856.00	625.00
Anuj Kandoi	Director	Loan Received	50,00,000.00	36,00,000.00
Ashish Kandoi	Director	Loan Received	57,00,000.00	0.00
Ghanshyam Dass	Director	Loan Received	216,00,000.00	19,00,000.00
Renu Kandoi	Director	Interest	72024.00	197.00
Kandoi Industries India Pvt Limited	Common control entity	Purchase of materials	20,58,41,775.00	21,112,000.00
Kandoi Industries India Pvt Limited	Common control entity	Sales	4,15,336.00	0.00
Kandoi Industries India Pvt Limited	Common control entity	High seas Sales	0.00	2,09,74,000.00
Renu Kandoi	Director	Loan Received	0.00	6,00,000.00
Ashish Kandoi	Director	Rent Paid	1,70,000.00	1,20,000.00



7) Earnings in Foreign exchange:
FOB value of Exports

2017-18	2016-17
Rs. 45,05,35,673/-	Rs. NIL

8) Expenditure in Foreign currency during the year

(Rs. Lakhs)

On account of:	2017-18	2016-17
a. Plant and Machinery	Rs. 549.866	Rs. 577.52
b. Raw Material	Rs. 140.856	Rs. 33.44
c. Foreign travel	Rs. 0.00	Rs. 7.52
d. Consumable items	Rs.155.510	Rs. 1.53
e. Trading material	Rs. 0.00	Rs. 204.58

9) Details of Deferred Taxes:

Break up of Deferred tax liability:	Current Year	Previous Year
Depreciation as per the books:	Rs. 1,40,70,034	Rs. 71,45,165
Depreciation as per the IT Act:	Rs. 4,34,55,813	Rs.1,60,23,798
Difference	Rs. 2,93,85,779	Rs. 88,78,633
DT Liability @ 30.9%	Rs. 90,80,205	Rs. 27,43,498
Opening Balance	Rs. 70,14,446	Rs. 42,70,948
Final DTL	Rs. 1,60,94,651	Rs. 70,14,446

10) Payment to Auditor:

	Current Year	Previous Year
Statutory Auditors	Rs. 60,000	Rs. 25,000
Tax Audit Fees	Rs. 40000	Rs. 5000
Taxation	Rs. 40,000	

11) Previous Year figures have been regrouped wherever necessary to confirm to the current year classification and figure are presented to the nearest rupee value.

12) Trade Receivables, Trade Payables, Loans & Advances, Cash on Hand has been taken at Book Value subject to confirmations and reconciliations.

13) Loans & Advances are considered good in respect of which company does not hold any security other than the personal guarantee of persons.

14) All Assets & Liabilities are presented as current and non current as per criteria set out in Schedule -III to the companies Act 2013 as notified by the ministry of corporate affairs. Based on the nature of operation of the company and realization from the trade receivables, the company has ascertained its operating cycle of less than 12 months period has been considered for the purpose of current /Non Current classification of Assets and Liabilities.



15) Capacity of Plant:

Class of Goods	UOM	Installed Capacity
Wire Division (GSS wire & GS Wire)	MTS	24,000
Nails Division (Steel Nails, Wire Collated Nails Paper Collated Nails, Plastic Collated Nails)	MTS	15,000

OUR REPORT OF EVEN DATE ATTACHED

For MM PALOD & CO.,
Chartered Accountants,
FRN.00602075

(Murali Manohar Palod)
Proprietor
M.No.200858

PLACE: HYDERABAD
DATE: 29/05/2018

FOR AND ON BEHALF OF THE BOARD

1.

Ashish

2.

Manohar

DIRECTORS

