

INDUS FERRO TECH LTD.**BALANCE SHEET AS AT 31st MARCH 2016**

	NOTE	AS AT 31.03.2016		AS AT 31.03.2015	
		₹	₹	₹	₹
I EQUITY AND LIABILITIES					
1 Shareholders' Funds					
a) Share capital	2	5,000,000		5,000,000	
b) Reserves & surplus	3	(174,673,072)	(169,673,072)	(97,949,716)	(92,949,716)
2 Non-current liabilities					
a) Long term borrowings	4	799,295,512		788,782,711	
b) Deferred tax liabilities (Net)	5	69,543,243		45,501,079	
c) Other long term liabilities	6	6,191,100		6,053,496	
d) Long term provisions		-	875,029,855	-	840,337,286
3 Current liabilities					
a) Short term borrowings	7	19,127,796		-	
b) Trade payables	8	141,681,124		66,871,031	
c) Other current liabilities	9	116,020,735		94,750,756	
d) Short term provisions	10	764,219	277,593,874	508,007	162,129,794
TOTAL			982,950,655		909,517,364
II ASSETS					
1 Non-current assets					
a) Fixed Assets	11				
i) Tangible assets		788,873,148		803,118,474	
ii) Intangible assets		1,186,147		1,516,121	
iii) Capital work-in-progress		4,023,922		3,252,167	
b) Non current investments	12	2,500		2,500	
c) Long-term loans and advances	13	7,013,553		1,951,169	
d) Other non-current assets		-	801,099,269	-	809,840,431
2 Current Assets					
a) Inventories	14	5,976,362		1,234,980	
b) Trade receivables	15	50,320,426		18,884,074	
c) Cash and cash equivalents	16	27,954,193		29,776,846	
d) Short-term loans and advances	17	94,097,378		48,689,218	
e) Other current assets	18	3,503,027	181,851,386	1,091,815	99,676,933
TOTAL			982,950,655		909,517,364

See accompanying notes to the financial statements 1 to 40

As per our report attached for **P. B. Deshpande & Co,** Chartered Accountants FRN. 102396W

For and on behalf of Board of Directors

PATIL KIRAN J.
Director

PATIL MEGHA K.
Director

P. B. Deshpande
Partner
Membership No. 036185

Place- Pune
Date - 12 August 2016

INDUS FERRO TECH LTD.

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2016

	NOTE	2015-16		2014-15	
		₹	₹	₹	₹
REVENUE :					
I	Revenue from operations	19	329,676,391		52,963,690
II	Other income	20	5,120,062		3,848,380
III	Total Revenue (I+II)		<u>334,796,453</u>		<u>56,812,070</u>
IV EXPENSES :					
A)	Cost of materials consumed	21	109,609,145		34,984,123
B)	Change in Inventories of FG & WIP	22	(897,823)		-
C)	Employee benefit expense	23	8,374,911		1,473,181
D)	Finance costs	24	93,769,032		30,639,839
E)	Depreciation and amortisation expense	11	64,701,203		16,302,260
F)	Other expenses	25	111,910,539		25,938,980
	Total Expenses		<u>387,467,006</u>		<u>109,338,383</u>
V	Profit before exceptional and extraordinary items and tax (III - IV)		(52,670,553)		(52,526,312)
VI Exceptional items					
A)	Profit/ (Loss) from disposal of Fixed Assets (Net)	26	(10,639)		-
VII	Profit before extraordinary items and tax (V - VI)		(52,681,192)		(52,526,312)
VIII	Extraordinary items		-		-
IX	Profit before tax (VII- VIII)		(52,681,192)		(52,526,312)
X Tax Expense					
a)	Current tax		-		-
b)	Deferred tax		24,042,164		45,341,924
			<u>24,042,164</u>		<u>45,341,924</u>
XI	PROFIT/(LOSS) FOR THE PERIOD (IX - X)		(76,723,356)		(97,868,236)
XII	Earning per share : Basic (in Rs)		(1,534.47)		(1,957.36)
	Diluted (in Rs)		(1,534.47)		(1,957.36)
See accompanying notes to the financial statements 1 to 40					

As per our report attached
for **P. B. Deshpande & Co,**
Chartered Accountants
FRN. 102396W

For and on behalf of Board of Directors'

PATIL KIRAN J.
Director

PATIL MEGHA K.
Director

P. B. Deshpande
Partner
Membership No. 036185

Place- Pune
Date - 12 August 2016

INDUS FERRO TECH LTD

CASH FLOW STATEMENT		31st March, 2016 Rs.	31st March, 2015 Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit/(loss) after exceptional items and before tax as per the Statement of Profit and Loss		(52,681,192)	(52,526,312)
Adjustments for			
Depreciation and amortization expense		64,701,203	16,302,260
Provision for income tax written back		-	(3,860)
Dividend Income		(300)	(300)
Finance cost on borrowing		93,769,032	30,639,839
Interest income		(2,648,369)	(4,214,143)
Loss on sale of asset		10,639	-
Unrealised (Gain)/Loss on Exchange (Net)		-	430,058
Operating profit before working capital changes		103,151,013	(9,372,459)
Changes in working capital			
<i>Adjustment for (increase) / decrease in operating assets</i>			
Inventories		(4,741,382)	(1,234,980)
Trade Receivable		(31,436,352)	(18,953,773)
Other current Assets		(2,411,212)	965,328
Short-term loans and advances		(14,161,701)	(39,615,693)
Long term loans and advances		(5,062,384)	(1,457,049)
<i>Adjustment for increase / (decrease) in operating Liabilities</i>			
Trade payable		74,810,093	65,126,372
Other current liabilities		17,931,941	19,194,379
Short term provision		256,212	508,007
Other long term liabilities		137,604	1,385,839
Cash flow from Changes in Working Capital		35,322,820	25,918,430
Cash generated from operation		138,473,833	16,545,970
Income taxes paid, net of refund		0	(220,514)
NET CASH INFLOW FROM OPERATING ACTIVITIES:-		138,473,833	16,325,456
B. CASH FLOW FROM INVESTING ACTIVITIES:-			
Purchase of Fixed Assets and Capital Work in Progress (including Capital Advances)		(91,418,336)	(559,483,241)
Sale of Fixed Assets		9,263,579	-
Interest Income		2,648,369	4,214,143
Dividend Income		300	300
NET CASH USED IN INVESTING ACTIVITIES		(79,506,088)	(555,268,798)
C. CASH FLOW FROM FINANCING ACTIVITIES:-			
Proceeds from / (repayment of) Long Term Borrowings		13,850,839	481,163,406
Proceeds from / (repayment of) Short Term Borrowings		19,127,796	-
Finance cost		(93,769,032)	(30,639,839)
NET CASH INFLOW FROM FINANCING ACTIVITIES		(60,790,397)	450,523,568
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		(1,822,653)	(88,419,773)
OPENING CASH AND CASH EQUIVALENTS		29,776,846	118,196,619
CLOSING CASH AND CASH EQUIVALENTS		27,954,193	29,776,846
CLOSING CASH AND CASH EQUIVALENTS COMPRISE			
Cash and Bank Balance		27,954,193	29,776,846
Unrealised (Gain)/ Loss on Foreign Exchange		-	-
Closing Cash and Cash Equivalents		27,954,193	29,776,846

As per our report attached
For **P. B. Deshpande & Co,**
Chartered Accountants
FRN. 102396W

For and on behalf of Board of Dir

P. B. Deshpande
Partner
Membership No. 036185

PATIL KIRAN J. PATIL MEGHA K.
Director Director

Place- Pune
Date - 12 August 2016

NOTES TO AND FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2016:**Note 1 SIGNIFICANT ACCOUNTING POLICIES****a. Corporate Information :**

Indus Ferro-Tech Limited is a public company incorporated in India. The Company is engaged in the business of manufacture and job work of rough and mechanized casting and other related products.

b. Basis of preparation of Financial Statements :

The Financial Statements have been prepared in conformity with Generally Accepted Accounting Principles in India (Indian GAAP), including Accounting Standards specified under Section 133 of the Companies Act, 2013 read with rule 7 of the companies (Accounts) Rules, 2014. The financial Statements have been prepared under the historical cost convention on an accrual basis, except for certain fixed assets which are carried at revalued amounts. The financial Statements are presented in Indian rupees rounded off to the nearest one rupee. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year,

c. Use of Estimates :

The preparation of Financial Statements in conformity with Generally Accepted Accounting Principles in India requires that the management makes estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities as at the date of Financial Statements and the reported amounts of revenue and expenses during the reporting period. Management believes that the estimates used in the Financial Statements are prudent and reasonable. Any revision to accounting estimates is recognized prospectively in current and future periods.

d. Fixed Assets (Tangible/Intangible) :Tangible Assets:

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

- (i) Fixed Assets and subsequent additions to Land and Building are accounted for at Cost.
- (ii) Gain and Losses arising from disposal / de-recognition of fixed assets which are carried at cost are recognized in the Statement of Profit and Loss.

Intangible Assets:

Intangible Assets, expected to provide future enduring economic benefits are capitalized. Capitalization costs include license fees and cost of implementation / system integration services.

Capital Work In Progress:

Projects under which assets are not ready for their intended use are disclosed under Capital Work-in-Progress, and carried at cost, comprising direct cost, related incidental expenses and attributable interest.

e. Impairment of Assets :

At each balance sheet date, based on internal/external factors, if there is any indication of impairment, the carrying amount of assets is reviewed. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the net selling price and value of the asset in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time values of money and risk specific to the asset.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

f. Depreciation and Amortization :

Tangible Assets:

- (i) Plant and Machinery and other assets are depreciated in the Statement of Profit and Loss Account on Straight Line Method as per the useful life of the assets as prescribed in the schedule II to the companies Act 2013.
- (ii) Depreciation on revaluation of Building has been charged off to statement of Profit and Loss on straight Line Method as per the useful life of the assets as prescribed in the schedule II to the companies Act 2013.
- (ii) Individual assets acquired for less than Rs. 5000 are entirely depreciated in the year of acquisition.

Intangible Assets:

- (i) Intangible Asset cost is amortized over a period of five years.

g. Revenue Recognition :

Revenue from sale of goods is recognized when significant risks and rewards of ownership are transferred to the customers. Sales are net of sales return and trade discounts.

Revenue from Service is recognized as and when services are rendered and related costs are incurred, in accordance with the terms of the specific contracts.

Sales are accounted net of Sales Tax/ Vat wherever applicable.

Interest income is recognized on time proportionate basis.

Dividends are credited to revenue account when the right to receive such dividend is established.

h. Leases:

Lease rentals under an operating lease, are recognized as an expenses in the statement of Profit and Loss on a straight line basis over the lease terms. Lease incomes from operating leases are recognized in the Statement of Profit and Loss on straight Line basis over the lease terms.

i. Employee Benefits:a) Short Term

Short term employee benefits are recognized as an expense at the undiscounted amount expected to be paid over the period of services rendered by the employees to the Company.

b) Long Term

The Company has both defined-contribution and defined-benefit plans, of which some have assets in special funds or securities. The plans are financed by the Company and in the case of some defined contribution plans financed by the Company along with its employees.

- **Defined-contribution plans**
These are plans in which the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. These comprise of contributions to the employees' provident fund, family pension fund and superannuation fund. The Company's payments to the defined-contribution plans are reported as expenses during the period in which the employees perform the services that covers the payment.
- **Defined-benefit plans**
Expenses for defined-benefit gratuity plans are calculated as at the balance sheet date by independent actuaries in a manner that distributes expenses over the employee's working life. These commitments are valued at the present value of the expected future payments, with consideration for calculated future salary increases, using a discount rate. The said discount rate corresponds to the interest rate as estimated by the actuary having regard to the interest rate on government bonds with a remaining term that is almost equivalent to the average balance working period of employees.

c) Other Employee Benefits

Compensated absences which accrue to employees and which can be carried to future periods but are expected to be encashed or availed in twelve months immediately following the year end are reported as expenses during the year in which the employees perform the services. The said benefit covers and the liabilities are reported at the undiscounted amount of the benefits after deducting amounts already paid. Where there are restrictions on availment of encashment of such accrued benefit or where the availment or encashment is otherwise not expected to wholly occur in the next twelve months, the liability on account of the benefit is actuarially determined using the projected unit credit method.

j. Investments:

Long-Term Investments are accounted for at cost less Provision for diminution in value. Provision for diminution in value is made to recognize decline (other than temporary) in the value of investments, if any.

Current Investments are stated at Cost. In determining fair market price, market values / net asset values are used in case of quoted investments and Managements estimates are used in the case of unquoted investments. The decline in the current investment (Unquoted Shares) is also accumulated in the provision for diminutions.

In the opinion of the Board of Directors, the unquoted investments have realizable value, in the ordinary course of business, at least equal to the amounts at which they are stated, except for which provision has been made for diminution in their value.

Dividends are credited to revenue account when the right to receive such dividend is established. Interest is included in the profit and loss account evenly over the period of the investment, provided the interest is fixed as determinable and recovery is reasonably assured.

k. Inventories:

Inventories are valued at lower of "Cost or Net Realisable Value". Cost of inventories is computed on weighted average basis. It comprises all costs of purchase, conversion and other costs incurred in bringing the inventories to their present location and condition. Cost of work-in-progress and finished goods are determined on full absorption cost basis. Finished goods are valued inclusive of excise duty.

l. Foreign currency Transactions:

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction. Foreign currency monetary assets and liabilities are translated at year end exchange rates. Exchange difference arising on settlement of transactions and translation of monetary items are recognized as income or expense in the year in which they arise.

Cash and bank balances, receivables and liabilities (monetary items) in foreign currency as at the year end are valued at closing-date rates, and unrealized translation differences are included in the Statement of Profit & Loss.

m. Foreign Currency Forward contracts:

In case of forward exchange contracts, or other financial instruments that are in substance forward exchange contracts, the premium or discount arising at the inception of the contracts is amortised as expense or income over the life of the contracts. Gains/losses on settlement of transaction arising on cancellation/renewal of forward exchange contracts are recognized as income or expense.

n. Borrowing Costs:

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying asset that necessarily takes substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred. Such capitalization is suspended during extended periods in which active development is interrupted.

o. Provisions, contingent liabilities and contingent assets:

A provision is recognized when the Company has a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on best estimate required to settle the obligation at the balance sheet date. A contingent liability is disclosed unless the possibility of an outflow of resources embedding economic benefits is remote. A contingent asset is neither recognized nor disclosed.

A Contingent liability is a possible obligation that arise from past events whose existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow or resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that can not be recognized because it cannot measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

p. Segment reporting:

The Company operates as a single business & geographical segment. As such, there are no reportable segments as per AS 17 on 'Segment Reporting'

q. Taxes on Income:

Income tax expense comprises of current tax and deferred tax charges/ credits. The deferred tax charges/ credits are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date. Where there is unabsorbed depreciation or carry forward loss, deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Other deferred tax assets are recognized only to the extent there is reasonable certainty of realization in future. Deferred tax assets / liabilities are reviewed as at each balance sheet date based on developments during the year.

r. Accounting for Government Grants/Refunds:

Government grants relating to fixed assets are deducted from the gross value of assets. Government grants related to revenue in respect of DEPB Claims, Focus Product Scheme, Focus Market Scheme, Duty Drawback claims, Service Tax refund to exporters & Terminal Excise Duty refund are credited to statement of profit and loss for at an appropriate amount in respect of such earned benefits estimated on a prudent basis.

s. Cash Flow Statement:

Cash Flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generated, financing and investing activities of the Company are segregated.

t. Earning per share:

Basic Earnings Per Share (EPS) is computed by dividing the net profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit by the weighted average number of equity shares considered for deriving basic earnings per share and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at latter date. In computing diluted earnings per share, only potential equity shares that are dilutive and that either reduces earnings per share or increases loss per share are included.

u. Cash and cash Equivalents :

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

INDUS FERRO TECH LTD
NOTES TO ACCOUNTS

	AS AT 31.03.2016		AS AT 31.03.2015	
	Rs.	Rs.	Rs.	Rs.
2 SHARE CAPITAL :				
Authorised capital				
50,000 Equity Shares of Rs 100/- each		5,000,000		5,000,000
(Previous Year 50,000 Equity Shares of Rs. 100/- each)				
Total		<u>5,000,000</u>		<u>5,000,000</u>
Issued Subscribed, and Paid up Capital				
50,000 Equity Shares of Rs. 100/- each		5,000,000		5,000,000
Total		<u>5,000,000</u>		<u>5,000,000</u>

a. Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Sr. No	Particulars	Equity Shares Number	Equity Shares Value	Equity Shares Number	Equity Shares Value
1	Shares outstanding at the beginning of the year	50,000	500,000	50,000	500,000
2	Shares Issued during the year	-	-	-	-
3	Shares outstanding at the end of the year	50,000	500,000	50,000	500,000

b. The company has only one class of equity shares having par value of Rs. 100 per share. Each holder of equity share is entitled to one vote per share.

c. During the year ended on 31 march 2016, the Company has not declared any dividend

d.

Shares in the company held by each shareholder holding more than 5 percent shares specifying the number of shares held

Sr. No.	Particulars	31.03.2016		31.03.2015	
		No of shares held	% to Total Shares	No of shares held	% to Total Shares
1	Mr. Patil K. J.	3,195	6.39	3,195	6.39
2	M/s Ghatge Patil Industries Limited	45,100	90.20	45,100	90.20

3 RESERVES & SURPLUS :

a) General Reserve				
Opening Balance	-		-	
(+) Current Year Transfer	-		-	
b) Surplus - Statement of Profit & Loss				
Opening balance	(97,949,716)		(81,479)	
(+) Net Profit/(Net Loss) For the current year	(76,723,356)		(97,868,236)	
	<u>(174,673,072)</u>		<u>(97,949,716)</u>	
(-) Proposed Dividends including Dividend Distribution Tax			-	
(-) Transfer to Reserves			-	
Closing Balance		(174,673,072)		(97,949,716)
Total		<u>(174,673,072)</u>		<u>(97,949,716)</u>

4 LONG TERM BORROWINGS
I) SECURED :
Term Loans
a) From Banks
Union bank of India

Term Loan

132,641,020

178,118,777

Shamrao Vithal Co-operative Bank Ltd.

Term Loan

236,435,808

253,572,416

Total I

369,076,828
431,691,193

369,076,828

431,691,193

II) UNSECURED:

Ghatge Patil Industries Limited

430,218,684

357,091,518

Total II

430,218,684
357,091,518

Total (I + II)

799,295,512
788,782,711

INDUS FERRO TECH LTD

NOTES TO ACCOUNTS

	AS AT 31.03.2016		AS AT 31.03.2015	
	Rs.	Rs.	Rs.	Rs.
a Repayment schedule and other details				
	Closing Balance	Rate of Interest	Installment Amount	Balance No. of Installment due
Union Bank of India - Term Loan	178,117,948	12.10%	3,789,744	50
The shamrao vithal co op bank	269,105,322	12.20%	2,584,232	66
b. Security:				
- Term Loan borrowed from Union Bank of India is secured by pari-passu 1st charge on gross block of the Company, Personal Guarantee of the Director Mr Kiran J Patil and Corporate Guarantee of Holding Company Ghatge Patil Industries Ltd.				
- Term Loan borrowed from Shamrao Vitthal Cooperative Bank Ltd is secured by Equitable Mortgage of Land & building situated at Plot No D-3, D2-/1 & D3-/2 Kagal 5 Star MIDC kolhapur, and Hypothecation of plant & machinery acquired out of borrowed funds, and Personal Guarantee of the Director Mr Kiran J Patil and Corporate Guarantee of Holding Company Ghatge Patil Industries Ltd.				
5 Deferred tax liability (net)				
A) Deferred Tax Liability				
Related to Fixed Assets		69,599,718		45,341,924
Unabsorbed Business Loss		-		159,155
B) Deferred Tax Assets				
Disallowance u/s 40(a)(ia)		(56,475)		-
Total		69,543,243		45,501,079
6 OTHER LONG TERM LIABILITIES				
i) Trade Payable (including acceptances) (refer note 29 for details of dues to micro, small and medium enterprises)		-		-
ii) Retention money		4,291,100		4,153,496
iii) Tender deposit		1,900,000		1,900,000
Total		6,191,100		6,053,496
7 SHORT TERM BORROWINGS				
SECURED :				
Loans repayable on demand				
From Banks				
Cash / Export Credit Facilities		19,127,796		-
Total		19,127,796		-
8 TRADE PAYABLES				
i) Micro, Small & Medium Enterprises (refer Note29)		-		-
ii) Other		141,681,124		66,871,031
Total		141,681,124		66,871,031
9 OTHER CURRENT LIABILITIES				
i) Current maturities of long term loans				
Union Bank of India				
Term Loan	45,476,928		45,476,928	
The shamrao vithal co op bank				
Term Loan	32,669,514		29,331,476	
Total		78,146,442		74,808,404
ii) Interest accrued but not due on borrowings		31,007,720		15,070,161
iii) Others		6,866,573		4,872,191
Total		116,020,735		94,750,756

INDUS FERRO TECH LTD**NOTES TO ACCOUNTS**

	AS AT 31.03.2016		AS AT 31.03.2015	
	Rs.	Rs.	Rs.	Rs.
10 SHORT TERM PROVISIONS				
i) Provision for employee benefits		694,465		508,007
ii) Provision for excise duty accrued but not due		69,754		-
Total		<u>764,219</u>		<u>508,007</u>

11 - FIXED ASSETS

	Fixed Assets	Gross Block				Accumulated Depreciation						Net Block	
		Balance as at 1 April 2015	Additions	Deductions	Balance as at 31 March 2016	Balance as at 1 April 2015	Depreciation charge for the year	Adjustment due to revaluations	Total Depreciation charge for the year	On disposals / Write Off	Balance as at 31 March 2016	Balance as at 31 March 2016	Balance as at 1 April 2015
		₹1	₹2	₹3	₹4 = 1+2-3	₹5	₹6	₹7	₹8 = 6+7	₹9	₹10 = 5+6+7-9	₹11 = 4-10	₹12 = 1-5
a	Tangible Assets												
i	Land												
	a] Free Hold Land	-	-	-	-	-	-	-	-	-	-	-	-
	b] Lease Hold Land	17,359,146	-	-	17,359,146	1,117,430	184,565	-	184,565	1,301,995	16,057,151	16,241,716	
ii	Buildings												
	a] Factory Buildings	219,436,474	9,596,248	-	229,032,722	4,110,602	6,976,870	-	6,976,870	-	11,087,472	217,945,250	215,325,872
	b] Other than Factory Buildings	20,136,142	-	-	20,136,142	118,949	318,823	-	318,823	437,772	19,698,370	20,017,193	
	c] Fences, wells, tube wells	724,153	-	-	724,153	91,977	137,589	-	137,589	229,566	494,587	632,176	
	d] Others (including temporary structure, etc.)	4,208,412	619,071	-	4,827,483	614,639	1,374,867	-	1,374,867	1,989,506	2,837,977	3,593,773	
	e] Carpeted Roads-RCC	24,611,430	-	-	24,611,430	643,070	2,338,086	-	2,338,086	2,981,156	21,630,274	23,968,360	
iii	Plant and Equipment	504,217,108	45,607,380	9,374,170	540,450,318	8,725,626	49,269,565	-	49,269,565	99,952	57,895,239	482,555,079	495,491,482
iv	General furniture and fittings	1,880,647	60,185	-	1,940,832	44,543	183,161	-	183,161	227,704	1,713,128	1,836,104	
v	Motor buses, motor lorries and motor cars other than those used in a business of running them on hire	-	-	-	-	-	-	-	-	-	-	-	-
vi	Motor tractors, harvesting combines and heavy vehicles	-	-	-	-	-	-	-	-	-	-	-	-
vii	Electrically operated vehicles including battery powered or fuel cell powered vehicles	739,076	-	-	739,076	21,881	87,765	-	87,765	109,646	629,430	717,195	
viii	Office Equipment NES	5,193,330	42,199	-	5,235,530	468,486	989,782	-	989,782	1,458,268	3,777,262	4,724,844	
ix	Servers and networks	2,373,565	-	-	2,373,565	93,696	375,815	-	375,815	469,511	1,904,054	2,279,869	
x	End user devices, such as, desktops, laptops, etc.	427,388	71,808	-	499,196	30,512	151,514	-	151,514	182,026	317,170	396,876	
xi	Electrical Installations and Equipment [NESD]	18,826,141	3,403,230	-	22,229,371	933,128	1,982,827	-	1,982,827	2,915,955	19,313,416	17,893,013	
	Total A	820,133,013	59,400,122	9,374,170	870,158,965	17,014,540	64,371,229	-	64,371,229	99,952	81,285,817	788,873,148	803,118,473
b	Intangible Assets												
i	Computer Software	1,736,706	-	-	1,736,706	220,585	329,974	-	-	-	550,559	1,186,147	1,516,121
	Total B	1,736,706	-	-	1,736,706	220,585	329,974	-	-	-	550,559	1,186,147	1,516,121
	Total = A + B	821,869,719	59,400,122	9,374,170	871,895,671	17,235,125	64,701,203	-	64,371,229	99,952	81,836,376	790,059,295	804,634,594
	Previous Years	17,359,146	804,510,573	-	821,869,719	932,865	16,302,259	-	16,302,259	-	17,235,124	804,634,595	3,252,167
c	Capital Work In Progress											4,023,922	3,252,167

INDUS FERRO TECH LTD

NOTES TO ACCOUNTS

	AS AT 31.03.2016		AS AT 31.03.2015	
	Rs.	Rs.	Rs.	Rs.
12 NON CURRENT INVESTMENT				
(At Cost, Non-Trade)				
Other Investments (Valued at cost unless stated otherwise)				
Investment in un-quoted Equity instruments				
Shamrao Vitthal Sahakari Bank		2,500		2,500
100 (P.Y.100) Equity Shares of Rs 25/- each Fully Paid up				
Total		<u>2,500</u>		<u>2,500</u>
Aggregate amount of unquoted investments		2,500		2,500
13 LONG - TERM LOANS AND ADVANCES				
i) Advance Income Tax/TDS (Net of Provision for taxes)		6,474,433		1,412,049
ii) Deposits		539,120		539,120
Total		<u>7,013,553</u>		<u>1,951,169</u>
14 INVENTORIES				
(As valued and certified by the Managing Director)				
i) Raw Material		900,437		-
ii) Stores and Spares		3,216,937		1,137,192
iii) Loose Tools		961,164		97,788
iv) Finished goods		897,823		-
Total		<u>5,976,362</u>		<u>1,234,980</u>
(Valued at cost or market value whichever is less)				
15 TRADE RECEIVABLES				
Trade Receivable				
Unsecured Considered Good				
Over Six Months		-		-
Other Debts		50,320,426		18,884,074
Total		<u>50,320,426</u>		<u>18,884,074</u>
16 CASH AND CASH EQUIVALENTS				
a) Balances with banks				
i) In Current Accounts	165,660		3,704,285	
ii) In Deposit Accounts	27,761,971	27,927,631	26,056,328	29,760,613
b) Cash in Hand		26,562		16,233
Total		<u>27,954,193</u>		<u>29,776,846</u>
Note				
i) Guarantees		27,135,352		26,514,912
17 SHORT - TERM LOANS AND ADVANCES				
i) Prepaid Expenses		1,213,410		57,371
ii) Advances for purchase of Assets		38,433,326		7,186,867
iii) Others		54,450,642		41,444,980
Total		<u>94,097,378</u>		<u>48,689,218</u>
18 OTHER CURRENT ASSETS				
i) Interest receivable on bank deposits		3,344,097		1,035,511
ii) Duty drawback receivable		158,930		56,304
Total		<u>3,503,027</u>		<u>1,091,815</u>
19 REVENUE FROM OPERATIONS				
i) Sale of products	100,389,289		3,436,905	
Less : Excise duty paid	12,122,855		361,309	
Net Sales		88,266,434		3,075,596
ii) Sale of services		239,879,766		49,772,452
iii) Other operating revenues				
a) Export Incentives	1,075,932		56,304	
b) Miscellaneous Receipts	454,259		59,338	
Total		<u>1,530,191</u>		<u>115,642</u>
		<u>329,676,391</u>		<u>52,963,690</u>

INDUS FERRO TECH LTD

NOTES TO ACCOUNTS

	AS AT 31.03.2016		AS AT 31.03.2015	
	Rs.	Rs.	Rs.	Rs.
20 OTHER INCOME				
i) Interest from banks on fixed deposits		2,648,369		4,215,713
ii) Interest from others		-		1,570
iii) Dividend income		300		300
iv) Other than non-operating income foreign exchange gain (net)		2,471,393		(373,063)
v) Excess provision of Income tax written back		-		3,860
Total		5,120,062		3,848,380
21 COST OF MATERIALS CONSUMED				
Raw materials				
Opening stock		1,234,980		-
Add : purchases		109,274,602		36,219,103
		110,509,582		36,219,103
Less : Closing stock		900,437		1,234,980
Raw materials consumed		109,609,145		34,984,123
22 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS				
a) Opening Stock				
Work in Process		-		-
Finished Goods		-		-
		-		-
b) Closing Stock				
Work in Process				-
Finished Goods		897,823		-
		897,823		-
(Increase)/Decrease In Stock (a - b)		(897,823)		-
23 EMPLOYEE BENEFITS EXPENSE				
i) Salaries, wages and allowances		8,055,295		1,398,032
ii) Welfare expenses		319,616		75,149
Total		8,374,911		1,473,181
24 FINANCE COSTS				
Interest expense		93,769,032		30,639,839
Total		93,769,032		30,639,839
25 OPERATING AND OTHER EXPENSES				
i) Power and fuel		39,052,790		9,417,280
ii) Subcontracting charges		54,395,801		14,218,250
iii) Legal and consultation expenses		294,327		455,417
iv) License and inspection		223,771		75,149
v) Insurance		523,875		144,062
vi) Packing and forwarding charges		5,978,327		250,836
vii) Payment to Auditors		300,000		112,360
viii) Repairs to building		849,194		-
ix) Repairs to machinery		6,375,528		-
x) Miscellaneous expenses		3,916,927		1,265,625
Total		111,910,539		25,938,980
26 PROFIT/ (LOSS) FROM DISPOSAL OF FIXED ASSETS (NET)				
a) Loss on Sale of Asset		(38,259)		-
b) Profit on Sale of Assets		27,620		-
		(10,639)		-

27. CONTINGENT LIABILITIES:

a

Sr. No.	Claims against the company not acknowledged as debts.	As at March, 2016 Rs.	As at March, 2015 Rs.
a)	Income Tax	97,250	-
b)	Other	100,000	-

b. Income Tax – In respect of A.Y. 2013-14, the Company has filed an appeal before the appellate authority in respect of total demand of Rs. 97,250 which is still pending before the appellate authorities. Company is on the opinion that there is fair possibility of getting substantial relief in the appeal, so no provision is made in the accounts for the additional demand raised during the assessment.

28. Estimated amount of Contracts remaining to be executed on capital account aggregated to Rs. 120,432,522 (Previous Year Rs. 103,627,778) against which advances of Rs. 38,433,326 (Previous year Rs. 7,186,867) is paid.

29. Employee benefit obligations:

Defined – Contribution Plans

1) Provident Fund, family pension and superannuation fund

The Company offers its employee benefits under defined contribution plans in the form of provident fund and family pension fund to cover substantially all regular employees. Contributions are made during the year into separate funds under certain statutory/fiduciary type arrangements. The contributions are normally based on the certain proportion of the employee's salary.

A sum of Rs.372,508/-(Previous year Rs148,033) has been charged to the Statement of profit and loss in this respect, the components of which are tabulated below.

Contributions to defined contribution plans	2015-16	2014-15
Provident fund and family pension	372,508	148,033

2) Gratuity:

None of the employees have completed five years of continues service, so provisions as per the Payment of Gratuity Act are not applicable to the company.

30. Borrowing Costs:

Borrowing costs Nil to pertaining to the period in which the assets were under construction/installation has been capitalized during the year. (Previous Year Rs.35,119,042 included in capital work in progress)

31. Related Party Disclosures:

Related Parties and their Relationship

Parties (The parties mentioned herein below are as certified by respective directors)

- A) Holding company
Ghatge Patil Industries Ltd.
- B) Key Management Personnel
1. Kiran J. Patil, Director
 2. Megha K. Patil, Director
 3. Mr. Aditya K. Patil, Director

Transactions with Related Parties during 15-16

Sr. No.	Name of the Party	Status	Description/nature of transaction.	As at 31 March 2016	As at 31 March 2015
1	Ghatge Patil Industries Ltd	Holding Company	Purchases of material	59,323,647	10,588,354
			Labour charges receipts	239,879,766	49,772,452
			Unsecured Loan Payable	430,218,684	238,518,748
			Interest on unsecured loan	33,993,227	16,171,901
			Purchases of capital assets	34,837,832	23,528,729
			Sale of capital asset	1,687,500	-
			Sale of scrap	38,104,084	-
			Hiring charges	1,832,000	-
2	Aditek	Directors are partners	Purchases of assets	-	3,162,178
			Sale of asset	8,932,036	-

32. Disclosures in respect of Earnings per Share:

	As at 31 st March 2016	As at 31 st March 2015
Net Profit/ (Loss) for the year after tax	(76,723,356)	(97,868,236)
Basic number of equity shares outstanding during the year	50,000	50,000
Nominal value of equity shares	Rs. 100/-	Rs. 100/-
Basic earnings per share	Rs. (1,534.47)	Rs. (1,957.36)
Weighted average no. of shares	50,000	50,000
Diluted earnings per share	Rs. (1,534.47)	Rs. (1,957.36)

33. The Company is in the process of identifying Micro, Small & Medium Enterprises and letters have been issued to all creditors requesting information on the same. Till date no unit has identified itself as an SSI Unit. The company is not in default in payment of dues of suppliers and other parties over a period of 45 days.

34. Balances of some Debtors, Creditors, Deposits and Advances are subject to confirmations and reconciliation, if any.

35. The accumulated losses of the company exceed the aggregate of its paid-up capital & reserves. However, the accounts have been prepared under the going concern basis as per letter submitted by the Holding Company of the company considering that the Company is going concern and may earn profits in future.

36. Auditors Remuneration

Particulars	As at 31 st March 2016	As at 31 st March 2015
Statutory Auditor	100,000	100,000

37. Foreign Currency Forward contracts:

The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

(a) Amounts receivable in foreign currency on account of the following:

Receivable towards	Current year			Last year	
	Amount Fx Currency	Fx	Amount INR	Amount (In EURO)	Amount INR
Export of goods	125,732	EURO	9,274,958	45,011	3,009,476
Advances for imports of goods/Capital Asset and services	364,672	EURO	26,502,228	140,000	9,360,400

(b) Amounts payable in foreign currency on account of the following:

Payable towards	Current year			Last year	
	Amount Fx Currency	Fx	Amount INR	Amount (In EURO)	Amount INR
Import of goods and services	-	EURO	-	35,424	2,409,540
	-	EURO	-	5,300	360,506

Note: Fx=Foreign currency, INR=Indian Rupee

38. Other information**Imported & Indigenous Raw material consumed:**

	As at 31st March 2016	As at 31st March 2016	As at 31st March 2015	As at 31st March 2015
	Amount	%	Amount	%
Imported Raw Material	8,794,610	8%	1,115,698	3%
Indigenous Raw Material	100,814,535	92%	33,868,425	97%
	109,609,145	100%	34,984,123	100%

39. CIF value of imports

C.I. F. Value of Imports	As at 31st March 2016	As at 31st March 2015
Raw material	7,862,782	1,354,394
Machinery Spares and others	1,174,178	-
Plant & Machinery	-	293,782,217

40. Earnings in foreign Currency

	As at 31st March 2016	As at 31st March 2015
FOB value of Exports	53,460,086	3,079,175

41. Figures of the previous year have been re-grouped wherever necessary, so as to make them comparable with those of the current year.

As per our report of date attached
For P. B. Deshpande & Co,
Chartered Accountants
FRN. 102396W

For and on behalf of Board of Directors

P. B. Deshpande
Partner
Membership No. 036185

PATIL KIRAN J.
Director

PATIL MEGHA K.
Director

Place - Pune
Date – 12 August 2016