

MEERA INDUSTRIES PRIVATE LIMITED

PLOT NO. 2126, ROAD NO. 2, G.I.D.C.,
SACHIN, SURAT - 395230.

INDEPENDENT AUDITOR'S REPORT FOR THE PERIOD ON
31ST JANUARY, 2017



K A SANGHAVI & CO
CHARTERED ACCOUNTANTS
FRN 120846W

1001-1002-1003, RAJHANS
BONISTA, RAM CHOWK,
GHODDOD ROAD, SURAT
Ph. No. (0261) 2653167, 2653168



K A SANGHAVI & CO
CHARTERED ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

**TO THE MEMBERS OF
MEERA INDUSTRIES PRIVATE LIMITED.**

Report on the Financial Statements

We have audited the accompanying financial statements of MEERA INDUSTRIES PRIVATE LIMITED ("the company"), which comprise the Balance Sheet as at 31st January 2017, the Statement of Profit and Loss, the Cash Flow Statement for the period then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made 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 disclosures in the financial statements. The procedures selected depend on our 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, we consider internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at January 31, 2017.
- b) In the case of the Statement of Profit and Loss, of the profit for the period ended on that date.
- c) In the case of the Cash Flow Statement, of the cash flows for the period ended on that date.

KASCO

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K A SANGHAVI & CO
CHARTERED ACCOUNTANTS

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the **Annexure-A**, a statement on the matters specified in the paragraph 3 and 4 of the order to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) the Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of written representations received from the directors as on 31 January, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on 31 January, 2017, from being appointed as a director in terms of Section 164(2) of the Act.
 - f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**"; and
 - g) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of The Companies (Audit and Auditors) Rules, 2014 in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in the Financial statements. Refer Notes on Contingent liabilities.
 - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses
 - iii. There were no amounts which required to be transferred to Investor Education and Protection fund by the Company.

for **K A SANGHAVI AND CO**
Chartered Accountants
FRN : 120846W

AMISH ASHVINBHAI SANGHAVI
M. NO. : 101413
1001, 1002, 1003, RAJHANS BONISTA,
RAM CHOWK, GHOD DOD ROAD,
SURAT-395007 GUJARAT

Place : SURAT
Date : 23-03-2017



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Annexure A referred to in paragraph 1 under the heading Report on other legal and regulatory requirements of our report of even date Re: MEERA INDUSTRIES PRIVATE LIMITED.

- I.
 - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b. All fixed assets were physically verified by the management in the previous year in accordance with a planned programme of verifying them during the period, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
 - c. The company has owned properties during the period under consideration as per Note 9 to Balance Sheet and the title deeds of these immovable properties were held by the company in its name.
- II.
 - a. The management has conducted physical verification of inventory except goods-in-transit at reasonable intervals during the period.
 - b. The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c. The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- III. According to the information and explanations given to us, the Company has not granted secured or unsecured loans to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 during the period under consideration and therefore the provisions of clause III(a) to III(c) are not applicable and hence not commented upon.
- IV. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of Sec. 185 and Sec. 186 with respect to the loans, investments, guarantees and security.
- V. The Company has not accepted any deposits from the public. Hence, the provisions of Sections 73 to 76 or any other relevant provisions of The Companies Act and rules framed there under are not applicable.
- VI. The rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, are not applicable to the company. Hence the Company is not required to maintain Cost Records and hence not required to get the cost audit done as per the provisions of The Companies (Cost Records and Audit) Rules, 2014
- VII.
 - a. According to the information and explanations given to us and on the basis of our examination of the records of the company, amounts deducted / accrued in the books of accounts in respect of undisputed statutory dues including Provident Fund, ESIC, Income Tax, Sales tax, VAT, Duty of customs, Duty of Excise, Cess and other material statutory dues have generally been regularly deposited during the period by the company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, ESIC, Income Tax, Sales tax, VAT, Duty of customs, Duty of Excise, Cess and other material statutory dues were in arrears as at January 31, 2017 for a period of more than 6 months from the date they became payable.



- b. According to the information and explanations given to us, the following dues of Central Sales Tax have not been deposited by the company on account of disputes :

Nature of statute	Nature of Dues	Amount unpaid	Period to which the amount relates (Assessment Year)	Forum where Dispute is pending
Central Sales Tax Act, 1956	Demand raised on account of not having C-Form from Sales Parties	97,342/- *	A.Y. 2010-11	Deputy Commissioner of Commercial Tax

*The amounts paid under protest have been reduced from the amounts demanded in arriving at the aforesaid disclosure.

- VIII. Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to banks and Financial Institution. The Company had no Debentures issued or outstanding during the period.
- IX. The company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the period. In our opinion and according to the information and explanations given to us, the term loan taken by the Company have been applied for the purposes for which they were raised.
- X. 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.
- XI. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- XII. In our opinion and according to the information and explanations given to us, the company is not a Nidhi company.
- XIII. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Section 177 and 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.
- XIV. According to the information and explanations given to us and based on our examinations of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the period.
- XV. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him.



XVI. According to the information and explanations given to us, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.

for K A SANGHAVI AND CO
Chartered Accountants
FRN : 120846W



Place : SURAT
Date : 23-03-2017

AMISH ASHVINBHAI SANGHAVI
M. NO. 101413
1001, 1002, 1003, RAJHANS BONISTA,
GHOD DOD ROAD, SURAT-395007
GUJARAT

ANNEXURE - B TO THE 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 **MEERA INDUSTRIES PRIVATE LIMITED**. ("The Company") as of 31st January 2017 in conjunction with our audit of the financial statements of the Company for the period 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial 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 31 March 2016, 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. However, we are of the opinion that the company can make the Internal Controls on Financial Reporting more adequate and more effective considering the inherent risk and nature and size of the business activities carried out by the company.

for **K A SANGHAVI AND CO**
Chartered Accountants
FRN : 120846W

AMISH ASHVINBHAI SANGHAVI
M. NO. : 101413

**1001, 1002, 1003, RAJHANS BONISTA, RAM
CHOWK, GHOD DOD ROAD, SURAT-395007
GUJARAT**

Place : SURAT
Date : 23-03-2017

MEERA INDUSTRIES PRIVATE LIMITED
CIN: U29298GJ2006PLC048627
Balance Sheet as at 31ST January, 2017

Particulars		Note No.	As at 31.01.2017 Rs.	As at 31.03.2016 Rs.
A	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	1	2,77,25,000	1,10,90,000
	(b) Reserves and surplus	2	1,08,37,119	1,76,07,509
			3,85,62,119	2,86,97,509
2	Share application money pending allotment		-	-
3	Non-current liabilities			
	(a) Long-term Borrowings	3	1,47,239	7,51,600
	(b) Other Non-current Liabilities	4	18,28,000	-
	(c) Deferred Tax Liabilities (Net)	5	3,14,163	8,56,892
			22,89,402	16,08,492
4	Current liabilities			
	(a) Short-term borrowings	6	-	3,330
	(b) Trade payables	7	1,99,64,253	1,10,85,689
	(c) Other current liabilities	8	1,62,42,275	1,60,73,011
			3,62,06,528	2,71,62,030
	TOTAL		7,70,58,049	5,74,68,031
B	ASSETS			
1	Non-current assets			
	(a) Fixed assets			
	(i) Tangible assets	9	1,84,12,180	1,92,85,757
	(ii) Intangible assets	9	10,09,202	10,13,568
			1,94,21,382	2,02,99,325
	(b) Non - Current Investments	10	1,14,09,617	89,60,308
	(c) Long-term loans and advances	11	7,31,667	1,49,572
			3,15,62,666	2,94,09,205
2	Current assets			
	(a) Current investments	12	24,38,775	22,67,416
	(b) Inventories	13	97,43,542	59,08,400
	(c) Trade receivables	14	97,18,850	67,94,585
	(d) Cash and cash equivalents	15	1,69,44,444	93,58,146
	(e) Short-term loans and advances	16	66,49,772	37,30,279
	(f) Other Current Assets		-	-
			4,54,95,383	2,80,58,826
	TOTAL		7,70,58,049	5,74,68,031
	See accompanying notes forming part of the financial statements	25		

In terms of our report attached.

For K A SANGHAVI AND CO

FRN : 120846W

Chartered Accountants

Sanghavi

AMISH A. SANGHAVI

(Partner)

Membership No. 101413

Place : SURAT

Date : 23-03-2017



For and on behalf of the Board

Dharmesh Vinod Desai

DHARMESH VINOD DESAI

(DIRECTOR)

DIN: 00292502

Bijal Dharmesh Desai

BIJAL DHARMESH DESAI

(DIRECTOR)

DIN: 00292319

MEERA INDUSTRIES PRIVATE LIMITED CIN: U29298GJ2006PLC048627 Statement of Profit and Loss for the year ended 31ST January, 2017				
Particulars		Note No.	For the year ended 31.01.2017 Rs.	For the year ended 31.03.2016 Rs.
1	Revenue from operations (Net)	17	11,08,33,813	8,05,77,055
2	Other income	18	28,95,684	12,69,828
3	Total revenue (1+2)		11,37,29,497	8,18,46,883
4	Expenses			
	Cost of Material Consumed	19	6,44,72,178	4,66,66,784
	Purchase of Stock-in-Trade		-	-
	Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	20	(27,83,571)	(7,77,701)
	Employee benefits expense	21	1,01,52,932	60,95,594
	Finance costs	22	2,28,791	2,97,000
	Depreciation and amortisation expense		21,13,845	31,98,897
	Other Expenses	23	2,58,23,441	1,99,54,575
	Total expenses		10,00,07,616	7,54,35,149
5	Profit /(Loss) before extraordinary items and tax(3 - 4)		1,37,21,881	64,11,734
6	Extraordinary/ Prior Year items	24	-	-32,902
7	Profit / (Loss) before tax (5 - 6)		1,37,21,881	63,78,832
8	Tax expense:			
	(a) Current tax		44,00,000	23,24,350
	(b) Deferred tax		(5,42,729)	(1,39,391)
			38,57,271	21,84,959
9	Profit / (Loss) for the year		98,64,610	41,93,873
10	Earnings per share (of ₹10/- each):			
	Basic and Diluted		8.76	3.78
	See accompanying notes forming part of the financial statements	25		

In terms of our report attached.

For K A SANGHAVI AND CO

FRN : 120846W

Chartered Accountants

AMISH A. SANGHAVI
(Partner)

Membership No. 101413



For and on behalf of the Board

DHARMESH VINOD DESAI
(DIRECTOR)
DIN: 00292502

BIJAL DHARMESH DESAI
(DIRECTOR)
DIN: 00292319

Place : SURAT
Date : 23-03-2017

MEERA INDUSTRIES PRIVATE LIMITED
CIN : U29298GJ2006PLC048627
CASH FLOW STATEMENT FOR THE YEAR ENDED
31ST JANUARY 2017

PARTICULARS	31ST JANUARY 2017	31ST MARCH 2016
CASH FLOW FROM OPERATING ACTIVITY		
Net profit before taxation	1,37,21,869.00	63,78,832.00
Depreciation	21,13,845.00	31,98,897.00
Non cash item	-	-
Tax paid on Regular Assessment	4,465.00	
Investment Income	(4,77,970.00)	(7,41,882.00)
Loss on sale of Fixed Asset	-	4,713.00
Gain on Sale of Shares	(2,714.00)	-
Increase / decrease in inventories	(38,35,142.00)	(25,20,490.00)
Increase / decrease in sundry Debtors	(29,24,265.00)	23,00,177.00
Increase / decrease in Short term advances and loans	(27,45,884.00)	26,46,154.00
Increase / decrease in Long term advances and loans	(5,82,095.00)	(1,00,000.00)
Increase / decrease in investment	(24,49,309.00)	(6,14,992.00)
Increase / decrease in Sundry Creditors	88,78,564.00	13,25,160.00
Increase / decrease in other Current Liability	(2,64,384.00)	74,38,234.00
Increase / decrease in other Non - Current Liability	1,86,000.00	-
Income tax paid	(25,02,412.00)	(34,42,248.00)
Adjustments of earlier years	-	5,147.00
Net cash flow from Operating activities	91,20,568.00	1,58,77,703.00
CASH FLOW FROM INVESTING ACTIVITY		
Purchase of Fixed asset	(12,35,904.00)	(59,21,366.00)
Proceeds from sale of Fixed Asset	-	30,000.00
Purchase of Shares	(3,43,964.00)	(22,67,416.00)
Proceeds from sale of Shares	1,75,319.00	-
Interest Received	4,77,970.00	7,41,882.00
Net cash flow From Investing activity	(9,26,579.00)	(74,16,900.00)
CASH FLOW FROM FINANCING ACTIVITY		
Issue of share Capital	-	-
Repayment of Borrowings	(6,07,691.00)	(7,79,457.00)
Net cash flow From financing activity	(6,07,691.00)	(7,79,457.00)
Net Increase/ decrease in cash and cash equivalent	75,86,298.00	76,81,346.00
Cash and cash equivalent at beginning of period	93,58,146.00	16,76,799.00
Cash and cash equivalent at end of period	1,69,44,444.00	93,58,146.00

In terms of our attached report of even date
For K A SANGHAVI AND CO
CHARTERED ACCOUNTANTS
FRN : 120846W

AMISH ASHVINBHAI SANGHAVI

(PARTNER)
M. NO. : 101413
PLACE : SURAT
DATE : 23-03-2017



For MEERA INDUSTRIES PRIVATE LIMITED

[Signature]
DHARMESH
VINDOCHANDRA DESAI
(DIRECTOR)
(DIN : 00292502)

[Signature]
BIJAL DHARMESHBHAI
DESAI
(DIRECTOR)
(DIN : 00292319)

Notes forming part of the financial statements

Note 1 Share capital

Particulars	As at 31.01.2017		As at 31.03.2016	
	Number of shares	Rs.	Number of shares	Rs.
(a) Authorised				
Equity shares of Rs. 10 each with voting rights	50,00,000	5,00,00,000	12,50,000	1,25,00,000
(b) Issued, Subscribed & paid up				
Equity shares of 10 each with voting rights	27,72,500	2,77,25,000	11,09,000	1,10,90,000
Total	27,72,500	2,77,25,000	11,09,000	1,10,90,000

(i) The number of shares outstanding at the beginning of the year and at the end of the year is the same.

(ii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31.01.2017		As at 31.03.2016	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Bijalben Dharmeshbhai Desai	1355338	48.89%	542135	48.89%
Dharmeshbhai Vinodchandra Desai	1144662	41.29%	457865	41.29%
Devendra Somabhai Naik	180000	6.49%	72000	6.49%

Note 2 Reserves and surplus

Particulars	As at 31.01.2017	As at 31.03.2016
	Rs.	Rs.
(a) Securities Premium reserve	98,10,000	98,10,000
(b) General reserve	-	-
(c) Surplus		
As per last Balance Sheet	77,97,509	51,39,137
Add: Profit / (Loss) as per Statement of Profit and loss	98,64,610	41,93,873
TOTAL	1,76,62,119	93,33,010
Less: Tax Adjustment of earlier year	-	15,40,649
Less: Bonus Issue	1,66,35,000	(5,147)
Closing balance	10,27,119	77,97,509
Total	1,08,37,119	1,76,07,509



Notes forming part of the financial statements

Note 3 - Long Term Borrowings

Particulars	As at 31.01.2017	As at 31.03.2016
Secured :		
(i) Kotak Mahindra Prime Limited Car Loan (Mercedes Benz Car)	-	3,08,400
(ii) Kotak Mahindra Prime Limited Car Loan (Eco Sport Car)	1,47,239	4,43,200
Total	1,47,239	7,51,600

Note 4 - Other long-term liabilities

Particulars	As at 31.01.2017	As at 31.03.2016
(a) Trade Payables:		
(i) Acceptances	-	-
(ii) Other than Acceptances	-	-
(b) Others:		
Short Term Provision for Gratuity	1,86,000	-
Total	1,86,000	-

Note 5 Deferred Tax Liabilities (Net)

Particulars	As at 31.01.2017	As at 31.03.2016
	Rs.	Rs.
Deferred Tax Liability		
Net Opening Balance	8,56,892	9,96,283
Adjustment During the Year	(5,42,729)	(1,39,391)
Deferred Tax Asset		
Differenece between book and tax depreciation	-	-
Deffered Tax (Assets)/Liability (Net) Total	3,14,163	8,56,892

Note 6 Short-term borrowings

Particulars	As at 31.01.2017	As at 31.03.2016
(a) Secured	-	-
(b) Unsecured :		
Loan From Directors		
Dharmesh V. Desai	-	3,330
Total	-	3,330



Notes forming part of the financial statements

Note 7 Trade payables

Particulars	As at 31.01.2017	As at 31.03.2016
Other than acceptances		
Due to Micro and Small Enterprises	-	-
Others (As per Annexure - I)		
Sundry Creditors - Goods	1,46,48,236	81,57,832
Sundry Creditors - Expenses	33,39,227	13,20,704
Sundry Creditors - Labour	19,62,243	12,80,734
Sundry Creditors - Capital Goods	14,547	3,26,419
Total	1,99,64,253	1,10,85,689

Note 8 Other current liabilities

Particulars	As at 31.01.2017	As at 31.03.2016
Advance from Debtors (As per Annexure - II)	92,68,877	1,15,59,199
Other payables		
(i) Provident Fund	1,32,231	91,206
(ii) Professional Tax	2,67,580	1,58,580
(iii) Tax Deducted at Source	1,86,828	3,54,526
(iv) Service Tax	11,931	62,981
(v) Central Sales Tax	344	-
(vi) Tax Collected at Source	300	-
(vii) Employees' State Insurance	41,850	21,402
(viii) Audit Fees	75,000	-
(ix) Directors' Remuneration	3,42,620	3,22,610
(x) Wages and Salary	10,74,889	5,53,080
(xi) Interest Accrued but not due	1,375	5,757
(xii) Provision for Income Tax	44,00,000	23,24,350
(xii) Bonus Expenses	2,52,450	-
(xii) Provision for Gratuity	18,28,000	-
(xiv) Labour Charges	-	10,387
(xv) Water Charges	-	2,543
(xvi) Devendra S. Naik (For Expenses)	-	3,12,608
(xvii) Bijal D. Desai (For Expenses)	-	2,77,780
(xviii) Consultancy Fees	-	16,000
Total	1,78,84,275	1,60,73,009



MEERA INDUSTRIES PRIVATE LIMITED
Notes forming part of the financial statements

Note 9 Fixed assets

	Gross book				Accumulated Depreciation				Net Book	
	Cost as at 01.04.2016	Additions	Disposals	Balance as at 31.01.2017	Balance as at 01.04.2016	Depreciation / amortisation expense for the year	Eliminated on disposal of assets	Balance as at 31.01.2017	Balance as at 31.03.2016	
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
A. TANGIBLE ASSETS										
Air Compressor	23,080	-	-	23,080	11,463	1,455	-	12,918	11,617	
Air Conditioner	1,85,500	24,500	-	2,10,000	42,402	14,985	-	1,67,615	1,45,098	
Avadh Shinghla-Guest House	42,24,540	-	-	42,24,540	87,994	1,09,833	-	40,22,803	41,00,046	
Car Chrysler	22,21,000	-	-	22,21,000	11,70,724	2,61,853	-	14,32,577	16,30,278	
Mercedes Benz	36,39,381	-	-	36,39,381	16,48,674	4,06,320	-	20,54,994	19,90,707	
Ceiling Fan	4,800	-	-	4,800	2,069	346	-	2,415	2,731	
CCTV Camera	14,15,835	74,400	-	14,90,235	12,08,262	51,157	-	12,59,419	2,07,573	
Electric Filling	73,404	-	-	73,404	31,486	2,942	-	34,428	41,918	
EPBX System	6,20,354	-	-	6,20,354	2,73,471	32,339	-	3,05,810	3,46,883	
Excavator	3,40,000	-	-	3,40,000	9,387	1,967	-	11,354	25,113	
Factory Building	1,07,06,883	1,70,925	-	1,08,77,808	17,99,634	24,845	-	2,04,479	2,01,366	
Fire Extinguisher	11,711	-	-	11,711	52,74,692	1,97,205	-	54,90,789	54,54,308	
Freeze	5,500	-	-	5,500	2,731	347	-	6,447	6,019	
Furniture & Fixture	10,64,206	92,000	-	11,56,206	4,48,983	1,14,656	-	3,078	2,869	
Hero Passion GI-5-KH-4241	57,860	-	-	57,860	14,000	4,939	-	5,66,069	6,18,223	
Splander	42,924	-	-	42,924	30,161	8,848	-	18,939	43,960	
Machinery	1,08,68,205	2,95,760	-	1,09,63,965	73,23,839	3,99,230	-	39,009	3,915	
Office Furniture	24,744	-	-	24,744	3,39,190	78,054	-	4,17,244	33,44,366	
Punching Machine	4,55,637	-	-	4,55,637	6,000	1,320	-	7,720	1,16,447	
Printer (epson)	35,200	-	-	35,200	52,440	4,272	-	52,440	2,760	
Telephone	36,901	-	-	36,901	16,877	2,343	-	19,220	18,344	
Toshiba Copier Machine	67,800	-	-	67,800	33,680	4,746	-	17,024	20,024	
Vacuum Cleaner	15,590	-	-	15,590	10,729	1,361	-	12,090	7,844	
Water cooler	21,600	-	-	21,600	1,361	982	-	12,090	10,871	
Water filler Machine	7,590	-	-	7,590	3,773	478	-	3,339	3,817	
Water Pump	16,793	-	-	16,793	8,049	933	-	4,924	8,151	
Weighing Scale	16,200	-	-	16,200	8,049	1,021	-	9,070	12,802	
Wall Fan	26,650	-	-	26,650	4,525	1,439	-	5,964	22,125	
Eco Sport(GI 5 JH 4241)	12,08,699	-	-	12,08,699	23,190	1,21,238	-	3,53,139	9,76,798	
Omni car	3,00,534	-	-	3,00,534	68,922	24,840	-	93,762	2,31,602	
Printer HP Laserjet	35,900	10,600	-	46,500	16,798	9,815	-	26,613	19,887	
R&D Assets:										
Air Conditioner(R&D)	1,35,500	-	-	1,35,500	336	7,139	-	7,475	1,35,164	
Machinery(R&D)	26,983	1,70,326	-	1,97,311	1,435	7,214	-	8,649	25,550	
Building(R&D)	-	1,60,202	-	1,60,202	-	1,348	-	1,58,854	-	
Computer(R&D)	-	32,200	-	32,200	-	6,675	-	25,525	-	
	3,78,33,096	10,30,913	-	3,88,64,009	1,85,47,339	19,94,490	-	2,04,51,829	1,84,12,180	
B. INTANGIBLE ASSETS										
License & Software	2,08,859	2,04,991	-	4,13,850	35,503	37,945	-	73,448	1,73,356	
Microsoft Software	63,000	-	-	63,000	10,803	8,344	-	19,147	43,853	
Software-EQP	10,40,040	-	-	10,40,040	2,52,027	1,63,066	-	4,15,093	7,88,013	
	13,11,899	2,04,991	-	15,16,890	2,98,333	2,09,335	-	5,07,688	10,13,546	
	3,91,44,995	12,34,904	-	4,03,80,899	1,88,45,672	2,11,3845	-	2,09,59,417	1,94,21,382	
Total	3,91,17,888	99,21,866	6,94,229	3,97,14,993	1,03,06,321	31,98,807	6,03,346	1,38,45,672	2,02,99,323	
Previous year:									1,76,11,867	



MEERA INDUSTRIES PRIVATE LIMITED
Notes forming part of the financial statements

Note 10 Non Current Investments

Particulars	As at 31.01.2017	As at 31.03.2016
Other Investments:		
Unquoted		
Kotak Mahindra Bank Term Deposit	1,14,09,617	89,60,308
Total	1,14,09,617	89,60,308

Note 11 Long-term loans and advances

Particulars	As at 31.01.2017	As at 31.03.2016
Security deposits		
(Unsecured, considered good)		
Electricity Deposit (DGVCL)	1,18,667	36,572
India Infoline Deposit	1,00,000	1,00,000
Deposit with Josh Petroleum	10,000	10,000
Telephone Deposit	3,000	3,000
Rent Deposit (Bijal D Desai)	5,00,000	-
Total	7,31,667	1,49,572



MEERA INDUSTRIES PRIVATE LIMITED
Notes forming part of the financial statements

Note 12 Current investments

Particulars	As at 31.01.2017	As at 31.03.2016
A. Current investments (At Cost)		
Investment in equity Shares		
Quoted	24,38,775	22,67,416
Unquoted	-	-
	24,38,775	22,67,416
Aggregate market value of listed and quoted investments	30,66,432	23,14,994
Aggregate value of listed but not quoted investments	-	-

Note 13 Inventories

Particulars	As at 31.01.2017	As at 31.03.2016
(As verified, valued and Certified by the Management)		
(a) Stock of Raw Material	47,10,407	37,21,820
(b) Stock of Semi Finished Goods	43,40,601	15,57,030
(c) Stock of R&D Goods	6,92,534	6,29,550
Total	97,43,542	59,08,400



MEERA INDUSTRIES PRIVATE LIMITED
Notes forming part of the financial statements

Note 14 Trade receivables

Particulars	As at 31.01.2017	As at 31.03.2016
	Rs.	Rs.
Trade receivables (As per Annexure - III)		
(Unsecured, considered good)		
More than Six Months	4,57,419	42,72,655
Less than Six Months	92,61,431	25,21,930
	97,18,850	67,94,585

Note 15 Cash and cash equivalents

Particulars	As at 31.01.2017	As at 31.03.2016
	Rs.	Rs.
(a) Cash on hand (As certified by the Managing Director)	1,72,256	7,57,376
(b) Balances with Scheduled banks in current accounts:		
Axis Bank	2,40,520	32,497
Kotak Mahindra Bank (Current A/c.)	-2,25,989	85,68,206
Kotak Mahindra Bank (EEFC A/c.)	1,67,57,657	66
Total	1,69,44,444	93,58,146



MEERA INDUSTRIES PRIVATE LIMITED
Notes forming part of the financial statements

Note 16 Short-term loans and advances

Particulars	As at 31.01.2017	As at 31.03.2016
	Rs.	Rs.
(Unsecured Considered good)		
(a) Staff Loan	5,000	-
(b) Prepaid expenses	2,155	1,49,091
(c) Others		
(Unsecured -considered good)		
Basic Excise Duty (CENVAT) (Deferred A/c.)	11,80,383	1,59,289
Education Cess (CENVAT)	-	4,252
Excise Duty PLA	24,049	2,342
Service Tax (Deferred A/c.)	2,44,691	56,282
Service Tax (Education Cess)	-	6,367
CST Paid for Appeal	75,000	75,000
VAT Credit Receivable A.Y. 2016-17	-	13,14,675
VAT Credit Receivable A.Y. 2017-18	31,50,408	-
VAT Duty paid under protest	1,00,000	1,00,000
TDS Receivable A.Y.2016-17	-	74,188
Advance Tax A.Y.2016-17	-	15,00,000
TDS Refund Receivable from KMB	16,695	-
TDS Receivable A.Y.2017-18	47,797	-
Advance Tax A.Y.2017-18	17,00,000	-
Association for Economics & Social Development	15,000	15,000
Interest Accrued but not due	-	50,924
Bijal D. Desai	-	2,247
India Infoline Ltd. -PMS	51,939	2,20,622
Import Duty Paid but Credit not taken	36,655	-
Total	66,49,772	37,30,279



MEERA INDUSTRIES PRIVATE LIMITED
Notes forming part of the financial statements

Note 17 Revenue from operations

	Particulars	For the year ended	For the year ended
		31.01.2017	31.03.2016
		Rs.	Rs.
(a)	Sale of Products :		
	<u>Manufacturing:</u>		
	Export Sales	6,45,16,896	1,45,15,292
	Local Sales	4,62,48,953	6,62,22,277
		11,07,65,849	8,07,37,569
	Less : Credit Note on Sales	81,874	1,60,514
	Total	11,06,83,975	8,05,77,055
(b)	Other Operating Revenue :		
	Packing and Forwarding Income	23,258	-
	Labour Income	1,26,580	-
	Total	1,49,838	-
	Grand Total (a +b)	11,08,33,813	8,05,77,055



MEERA INDUSTRIES PRIVATE LIMITED
Notes forming part of the financial statements

Note 18 Other income

	Particulars	For the	For the
		year ended 31.01. 2017	year ended 31.03. 2016
		Rs.	Rs.
(a)	Net gain / (Loss) on Foreign Currency Transactions	11,53,017	50,763
(b)	<u>Other Non - Operating Income :</u>		
	Discount	1,850	10,191
	Dividend Income	36,428	8,073
	Duty Drawback Income	10,58,716	4,58,919
	Export Incentive Focus Marketing Scheme	1,54,989	-
	Interest on Fixed Deposit	4,77,970	7,41,882
	Gain on Sale of Shares	2,714	-
	Other Receipts	10,000	-
	Total	28,95,684	12,69,828



MEERA INDUSTRIES PRIVATE LIMITED
Notes forming part of the financial statements

Note 19 Cost of Material Consumed

Particulars	For the year ended	For the year ended
	31.01.2017	31.03.2016
	Rs.	Rs.
Raw Material :		
Opening Stock	37,21,820	26,08,581
Add: Purchases Less Debit Note*	6,54,60,765	4,77,80,023
	6,91,82,585	5,03,88,604
Less : Closing Stock	47,10,407	37,21,820
Total	6,44,72,178	4,66,66,784

*Purchase of Raw Material includes purchases as under:

	As at 31.01.2017	As at 31.03.2016
Import of Raw Material	16,42,326	-
Local Purchase of Raw Material	6,38,72,558	4,80,22,338
	6,55,14,884	4,80,22,338
Less: Debit Note for Goods return	54,125	2,42,315
TOTAL	6,54,60,759	4,77,80,023

Note 20 Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade

Particulars	For the year ended	For the year ended
	31.01.2017	31.03.2016
	Rs.	Rs.
Opening Stock :		
Semi Finished Goods	15,57,030	-
Finished Goods	-	7,79,329
	15,57,030	7,79,329
Less :		
Closing Stock :		
Semi Finished Goods	43,40,601	15,57,030
Finished Goods	-	-
Total	-27,83,571	-7,77,701



MEERA INDUSTRIES PRIVATE LIMITED
Notes forming part of the financial statements

Note 21 Employee benefits expense

Particulars	For the year ended 31.01.2017	For the year ended 31.03.2016
	Rs.	Rs.
Salaries	29,37,073	21,25,659
Bonus	6,25,000	3,00,700
Worker Wages	31,48,146	26,86,630
Employer Contribution to PF	6,12,173	1,89,659
Employer Contribution to ESIC	2,10,256	5,78,494
Provision for Gratuity	20,14,000	-
Staff Welfare Expenses	6,06,284	2,14,452
Total	1,01,52,932	60,95,594

Note 22 Finance costs

Particulars	For the year ended 31.01.2017	For the year ended 31.03.2016
	Rs.	Rs.
Interest and Financial Charges		
Bank Charges	1,90,475	67,988
Bank Interest	-	42,323
Interest on Car Loan	34,054	1,25,571
Interest on Late Payment of Service Tax	145	46,861
Interest on Late Payment of TDS	4,117	14,256
Total	2,28,791	2,97,000



MEERA INDUSTRIES PRIVATE LIMITED
Notes forming part of the financial statements

Note 23 Other expenses

Particulars	For the year ended 31.01.2017	For the year ended 31.03.2016
<u>Manufacturing Expenses :</u>		
Custom Duty on Import	84,158	-
Diesel Expenses	1,71,086	50,360
Electrical Expenses	5,29,138	5,56,821
Factory Expenses	1,29,241	1,34,832
Freight Inward Expenses	8,62,336	7,06,669
Import Clearing Expenses	70,497	-
Labour Jobwork Charges	41,67,355	35,44,645
Loading Unloading Charges	1,14,515	57,741
Packing and Forwarding Expenses	81,887	72,274
Consumables Purchase	44,217	13,669
TOTAL (A)	62,54,430	51,37,011
<u>Duties and Taxes :</u>		
VAT Expenses	2,57,986	2,99,391
Excise Duty Expenses	18,847	10,113
GIDC Notified Area Tax Expenses	10,27,808	6,92,983
STT Expenses	37	2,388
Service Tax Expenses	6,367	96,438
SBC & KKC Expenses	29,461	839
Income Tax paid on Regular Assessment	4,465	-
<u>Administrative Expenses :</u>		
Accountant Fees	1,47,400	1,80,000
Computer Expenses	1,18,469	1,24,017
Consultancy Charges	92,760	59,310
Conveyance & Petrol Expenses	1,08,893	1,12,393
Discount Expenses	3,54,026	
Donation Expenses	4,49,411	50,000
Rating & Certification Fees	67,968	-
Gardening Expenses	12,940	1,600
Repair and Maintenance Expenses	2,98,933	3,48,582



MEERA INDUSTRIES PRIVATE LIMITED
Notes forming part of the financial statements

Vehicle Running & Maintenance Expenses	2,05,143	2,84,767
Directors' Remuneration Expenses	33,95,000	41,60,000
Audit Fees	75,000	59,748
Office Electricity Expenses	58,793	61,869
Insurance Expenses	15,94,338	1,02,105
Bad Debts Written Off	5,36,006	-
Sundry Balances Written Off	-	57,110
Internet Expenses	55,784	15,744
Legal and Professional Fees	6,33,700	74,627
Membership & Subscription Expenses	56,030	64,154
Office Expenses	2,13,661	2,30,776
Postage and Courier Expenses	1,62,852	2,11,037
Printing and Stationery Expenses	1,01,290	1,12,202
RCMC Certificate Renewal Fees	-	23,940
Factory Rent Expenses	9,00,000	-
Security Service Expenses	2,88,000	3,64,871
Loss on Sales of Shares	-	17,299
Loss on Sale of Asset	-	4,713
Software License Renewal Expenses	-	2,23,061
Telephone Expenses	91,111	1,68,222
Travelling Expenses	8,29,357	14,43,524
Water Charges	84,114	1,10,258
<u>Selling and Distribution Expenses :</u>		
Advertisement Expenses	1,35,589	91,039
Clearing and Forwarding Expenses	1,29,509	54,531
Commission Expenses	7,24,866	9,46,892
Export Insurance Expenses	6,459	12,445
Foreign Business Expenses	10,08,633	-
Freight Outward	19,71,380	5,10,931
Penalty Charges on Sales	-	10,62,400
Machine Erection Charges	2,09,770	1,37,840
Sales Promotion Expenses	4,71,773	-
<u>Research and Development Expenses :</u>		
Opening Stock of R&D Goods	6,29,550	-
Add :		
Purchase of R&D Goods	5,38,095	4,86,430



MEERA INDUSTRIES PRIVATE LIMITED
Notes forming part of the financial statements

Other R&D Expenses	1,06,817	48,701
Salary and Wages	20,53,154	22,02,325
Bonus	-	1,25,500
	33,27,616	28,62,956
Less : Closing Stock of R&D Goods	6,92,534	6,29,550
	26,35,082	22,33,406
TOAL (B)	1,95,69,011	1,48,17,565
GRAND TOTAL (A) + (B)	2,58,23,441	1,99,54,576

Note 24 Extraordinary/ Prior year items

Particulars	For the year ended 31.01.2017	For the year ended 31.03.2016
(i) Prior period Income	-	-
(ii) Prior period expenses VAT Recievable	-	32,902
Total	-	-32,902



MEERA INDUSTRIES PRIVATE LIMITED
CIN : U29298GJ2006PLC048627
PLOT NO. 2126, ROAD NO. 2, G.I.D.C., SACHIN, SURAT – 395 230

25 NOTES TO FINANCIAL STATEMENTS :

1 CORPORATE INFORMATION :

Meera Industries Private Limited (“the Company”) was incorporated on 05/07/2006 as a private Limited company. The company is engaged in the business of manufacture and sale of customized textile machinery and machinery parts including Import and export of same.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES :

(i) Basis of preparation of Financial Statements :

These financial statements 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 financial statements have been prepared under the historical cost convention on accrual basis, except for certain financial instruments which are measured at fair value.

All amounts included in the financial statements are reported in Indian Rupees. –

(ii) Presentation and disclosure of financial statements :

During the period ended on 31ST January 2017, the company has presented the financial statements as per the Schedule III notified under the Companies Act, 2013. The company has also reclassified the previous year’s figures in accordance with the requirements applicable in the current period.

(iii) Use of estimates :

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities, if any on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

(iv) Fixed Assets (AS 10) :

Tangible Fixed assets are carried at cost of acquisition and other applicable costs less depreciation and impairment loss, if any. The cost of fixed assets includes cost of acquisition plus, any freight, taxes, duties and other incidental expenses that are directly attributable to bring the assets to their working conditions for their intended use. Borrowing costs directly attributable to the qualifying assets are capitalized as part of the cost.

When parts of the items of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure relating to the property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably.

Intangible assets are stated at the consideration paid for acquisition less accumulated amortization and impairment losses, if any.

Cost of fixed assets not ready for use before the Balance sheet date is disclosed as capital work-in-progress. Advances paid towards the acquisition of fixed assets outstanding as of each balance sheet date is disclosed under long term loans and advances.

No assets have been revalued during the year.



(v) **Borrowing Costs (AS 16):**

No new loans have been taken by the company and hence there is no borrowing costs incurred by the company during the year. Therefore, the requirements of AS 16 are not applicable.

(vi) **Depreciation / Amortization (AS 6):**

Till 31st January, 2017, depreciation/ amortization is provided on SLM basis so as to write off the Cost of the assets over the useful lives as prescribed under Schedule II of The Companies Act, 2013 and for the assets acquired prior to period April 1, 2014, the carrying amount as on April 1, 2014 is depreciated over the remaining useful life based on the useful lives prescribed under Schedule II of The Companies Act, 2013. No assets have been revalued during the year.

(vii) **Impairment of Assets (AS 28):**

As per the estimates made by the management and as per the various assessments made by the management, there were no indicators whether internal or external (as provided in para 8 of AS 28) which has led to the impairment loss to any assets. Since there are no such indicators which suggest that the net value of the assets would fall significantly by passage of time and normal use, the company has not provided for any impairment loss for any assets during the current financial period. The company has chosen the "value in use" technic and as per the measurement of future cash flow, the management is of the opinion that the future cash flow and the terminal value of the assets would not be significantly less than the carrying value and hence no impairment for any assets has been provided for in the financial statements.

No reversal of impairment loss has been recognized in the Profit & loss Account.

Since the company has not carried out the activities in segments, the impairment loss or reversal of the impairment loss has not been provided for the segments.

In the opinion of the Board of Directors and to the best of their knowledge and belief the aggregate value of the current assets, loans and advances on realization in the ordinary course of business, will not be less than the amount at which they are stated in the Balance Sheet.

(viii) **Investments (AS 13):**

The Company has made investments in the shares of other companies during the current year and these investments are stated at cost. All other Investments are stated at cost or Net realizable value whichever is less since all the investments are short term investments.

The company has given deposits to various persons for rent, telephone department, electricity company etc. All these deposits are stated at cost.

(ix) **Inventories (AS 2):**

Period -end inventory of raw materials are carried at cost (Net of VAT, wherever applicable). Period-end inventory of Semi-finished goods and goods used for R&D purpose are valued at cost. Cost of work in progress includes the goods lying in manufacturing division and finished goods comprises of direct material and labour expenses and an appropriate portion of production overheads incurred in bringing the inventory to their present location and condition.

In determining cost, average price of the materials and other attributable costs is used.

(x) **Revenue recognition (AS 9):**

Sales exclude excise duty, sales tax, value added tax (VAT) and Central Sales Tax. Revenue from sale of goods is recognized when the substantial risks and rewards of ownership are transferred to the buyer under the terms of sales contracts and sales returns are accounted on actual receipt of return goods / settlement of claims.

All other income which do not form part of revenue from operations except Dividend Income are recognized on accrual basis during the period.



(xi) **CENVAT & Gujarat VAT Credit:**

CENVAT and Gujarat VAT credit available on purchase of materials, purchase of capital goods and input services is not charged to cost of material, capital goods and services. CENVAT and VAT credit availed is accounted by way of adjustment against excise duty and VAT payable on dispatch of finished goods or service tax payable on rendering of services.

(xii) **Employee benefits (AS 15) :**

The company has contributed to PF and ESI as per the statutory provisions applicable during the period to the company. The company has not contributed to any defined benefit plan during the period. No retirement benefits have been paid to any employee during the period by the company.

The company does not pay the leave salary. The unavailed leave expires at the end of the financial year and does not carry forward to subsequent years.

In accordance with the Payment of Gratuity Act, 1972, the company provides for a lumpsum payment to eligible employees, at retirement or termination of employees. The company's obligation in respect of the gratuity plan, which is defined benefit plan (unfunded), is provided for based on actuarial valuation carried out by an independent actuary using Projected Unit Credit (PUC) method. The company has not recognized actuarial gains and losses in the Statement of Profit and Loss since the plan is unfunded and the fair value of plan assets are not applicable. .

(xiii) **Foreign Exchange Transactions (AS 11):**

Company :

Transactions in foreign currencies other than those covered by forward contracts entered into by the Company are accounted at the exchange rates prevailing on the date of transactions or at rates that closely approximate the rate at the date of the transaction. Monetary assets (debtors for exports) and liabilities (Creditors for imports) relating to foreign currency transactions remaining unsettled at the end of the period are translated at the period-end rate and the difference in translation and realized gain and losses on foreign exchange transactions are recognized in the statement of profit and loss.

Non-monetary foreign currency items are carried at historical cost determined on the date of transaction.

Exchange difference in respect of liability incurred to acquire fixed assets is adjusted to the carrying amount of such fixed assets.

Forward premium in respect of forward exchange contracts, if any is recognized over the life of contract.

(xiv) **Taxation (AS 22):**

Income tax expenses comprises current tax (i.e. amount of taxes for the year determined in accordance with the Income Tax Act, 1961) and the deferred tax charge (liability) or credit (assets) (i.e. reflecting the tax effects of timing differences between accounting income and taxable income for the period). The deferred tax charge or credit and the corresponding deferred tax liabilities and assets are recognized using the tax rates that have been enacted on the balance sheet date and charged or credited to the profit & loss account.

Current tax is determined as the amount of tax payable in respect of taxable income for the period determined as per the provisions of I.T. Act, 1961. Deferred tax is recognized on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. (See Annexure - A) There is deferred tax asset to the tune of Rs. 5,42,729/- which is created due to the difference between the Depreciation as per the Companies Act, 2013 and the depreciation as per the Income Tax Act, 1961 and provision for gratuity disallowed in current period which is to be allowed on payment basis in



subsequent years as per the Income Tax Act, 1961. Total deferred tax Liabilities of Rs. 3,14,163/- has been shown separately under the head Deferred Tax Liabilities.

(xv) **Provisions and contingent liabilities, Contingent assets (AS 29):**

Provisions of various expenses are recognized in the financial statements since there exists present obligations as a result of event and the expenses are accrued and incurred during the year.

The opening balance of provisions are used during the year against the payments during the year. The closing balances of provisions are the expenses accrued during the year and provided.

No provisions were reversed during the year.

However, the company had paid earlier Rs. 1,00,000/- as Central Sales Tax under protest towards the total Demand of Rs. 1,97,342/- for A.Y. 2010-2011. The company had contested the said Assessments before Deputy Commissioner of Commercial Tax at Surat and as per the advice given by various lawyers, the management of the company is positive to get the result of appeal in its favour and therefore, no contingent liability has been recognized and hence not provided during the year.

(xvi) **Earning per share (AS 20) :**

Basic earning per share is computed using the weighted average number of equity shares outstanding during the period. Since the company is SMC as defined in clause 2(f) of Companies (Accounting Standard) Rules, 2006, the company is exempted to disclose diluted earning per share.

Basic Earnings per Share ("EPS") computed in accordance with Accounting Standard (AS) 20 'Earnings per Share'.

Particulars		AS AT 31.01.2017	AS AT 31.03.2016
Basic :			
Profit after tax as per P & L Account before exceptional item	A	98,64,609	41,93,873
Weighted Number of Equity shares outstanding during the period	B	11,09,000	11,09,000
Basic EPS (Rupees)	A/B	8.90	3.78

Since the company has not issued any convertible preference shares or convertible debentures, the diluted EPS is same as that of Basic EPS.

(xvii) **Share Capital :**

The company has not issued new Equity Shares during the year. Total Share Capital at the end of the year was Rs. 1,10,90,000/- divided in 11,09,000/- Equity shares of Rs. 10/- each Fully paid up. Authorized Share capital was Rs. 1.25 Crore divided in 12,50,000/- Equity Shares of Rs. 10/- each.

(xviii) **Secured Loan :**

The company has enjoyed car loan facility from Kotak Mahindra Bank Ltd which was secured against the vehicle.

(xix) **Segmental Reporting (AS 17):**

The company is running its business in single geographical segment and into single business/product segment of Manufacturing and Selling of Textile Machinery and hence segmental reporting is not applicable.

(xx) **Directors remuneration :**

Particulars	31.01.2017	31.03.2016
Director Remuneration	33,95,000	41,60,000



(xxi) **Auditor's remuneration :**

Particulars	31.03.2016	31.03.2015
As auditor	75,000	59,748

(xxii) During the year the company has not entered into any hire purchase agreement with any institutions.

(xxiii) **Related Party disclosure :**

The company has entered into the transactions with the associates and the relatives of Directors, though the same is not against the interest of the company. Separate disclosure for the same as per the requirements of AS - 18 has been given in **Annexure - B** appended to the Notes.

(xxiv) **Cash Flow Statement :**

Cash flows are reported using the indirect method, whereby net profits 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 generating, investing and financing activities of the company are segregated.

(xxv) **Cash and Cash equivalents (For the purposes of Cash Flow Statement) :**

Cash comprises cash on hand and demand deposits with banks (including accrued interest thereon excluding TDS on the accrued interest) and the bank balances including the bank CC / OD balances. Cash equivalents are short term balances, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

(xxvi) **Joint Ventures :**

The company has not entered into any Joint Ventures with any person during the year whether in India or outside India.

(xxvii) **Leases :**

1. The company has not acquired any fixed assets under finance lease during the year.
2. The company has not acquired any fixed assets under operating lease agreements.

(xxviii) The company has not entered into any lease agreements with any person during the year whereby any operating lease incomes are generated.

(xxix) **Provision for trade guarantees / warranties :**

The company is engaged in the business of manufacturing of textile machinery and not provided or entered into any service contracts which creates the liability of warranties etc. and therefore, no such liabilities are provided.

(xxx) Based on the information available with the company and as per the certificate from the management, there are no dues to Micro & Small Enterprises under the Micro, Small and medium Enterprises Development Act, 2006.

(xxxi) The provisions of sec. 135 of the Companies Act, 2013 related to Corporate Social Responsibility are not applicable to the company hence, no provision is made out of profit and no such expenses were incurred by the company during the reporting period.

(xxxii) The company has incurred revenue expenditure of Rs. 26,35,082/- and capital expenditure of Rs. 3,62,728/- for in house research and development during the year.



(xxxiii) Accounting policies not specifically referred to otherwise are consistent and in consonance with the generally accepted accounting policies. (GAAP)

(xxxiv) The previous year's figures have been regrouped or reclassified wherever necessary to confirm with the current year's presentation.

For K A SANGHAVI AND CO
CHARTERED ACCOUNTANTS
FRN : 120846W

AMISH ASHVINBHAI SANGHAVI
(PARTNER)

Place : SURAT

Date : 23-03-2017

For MEERA INDUSTRIES PRIVATE LIMITED

DHARMESHBHAI
VINODCHANDRA DESAI
(DIRECTOR)
(DIN : 00292502)

BIJAL DHARMESHBHAI
DESAI
(DIRECTOR)
(DIN : 00292319)

MEERA INDUSTRIES PRIVATE LIMITED

ANNEXURE – A

CALCULATION OF DEFERRED TAX

Deferred Assets:

PROVISION FOR GRATUITY	20,14,000
Total (A)	20,14,000

Deferred Liabilities:

DEPRECIATION	2,57,595
Total (B)	2,57,595

Total Deferred Assets (A) – (B)	17,56,405	
Tax on Deferred Assets @ 30.90% On Rs. 17,56,405		5,42,729

Net Differed Tax (Liabilities) Charged to P & L A/c	<u>5,42,729</u>
---	-----------------

Defer Tax Liabilities/Assets Transferred to Balance Sheet

Opening Balance of Deferred Tax Liabilities	8,56,892
Deferred Tax (Assets) Charged to P & L A/c	<u>5,42,729</u>
Deferred Tax Liabilities Transferred to Balance Sheet	<u>3,14,163</u>



MEERA INDUSTRIES PRIVATE LIMITED

ANNEXURE - B

**RELATED PARTY DISCLOSURE (AS 18) FOR THE YEAR ENDED ON
31.01.2017**

Disclosure as required by Accounting Standard 18 (AS – 18) "Related party Disclosures" issued by the Institute of Chartered Accountants of India are as follows :

Names of Related parties and the description of relationship :

<u>S. No.</u>	<u>Nature of Relationship</u>	<u>S. No.</u>	<u>Name of the Persons</u>
1	Entity over which KMP and their relatives exercise significant influence	1	Devendra Somabhai Naik
2	Key management personnel (Directors)	1	Dharmeshbhai Vinodchandra Desai
		2	Bijal Dharmeshbhai Desai
		3	Mayank Yashwantraai Desai
3	Relatives of Key management personnel	-	
4	Associates	-	

Details of transactions :

<u>Nature of transactions</u>	<u>Entity over which KMP and their relatives exercise significant influence</u>	<u>Key management personnel</u>	<u>Relatives of Key management personnel</u>	<u>Associates</u>
Remuneration	NIL	33,95,000	NIL	NIL
Loan Repaid	NIL	3,330	NIL	NIL
Rent Paid	NIL	9,00,000	NIL	NIL



Meera Industries Pvt Ltd
 Plot No. 2126, Road No.2,
 G.I.D.C., Sachin-395 230. Surat
 Gujarat, India.

Sundry Creditors

1-Apr-2016 to 31-Jan-2017

Annexure - I

Page 1

	Closing Balance	
	Debit	Credit
Sundry Creditor for Capital Goods		
Core	3,50,000.00	3,64,547.00
Craftsman Automation Pvt Ltd.		26,419.00
Kantibhai Parsottambhai Patel	3,50,000.00	
Sumangal Engineering Company		3,00,000.00
Swastik Aluminium		2,926.00
		35,202.00
Sundry Creditor for Expenses	74,078.00	34,13,305.30
Amada (India) Pvt Ltd	72,265.00	
Ashok Tools Corporation		9,345.00
Bijal D Desai Rent		4,86,000.00
Choice		77,890.00
Citizen Infoline Ltd. CPS	900.00	
Service Division		2,500.00
CPS Technologies		1,101.00
Darshna Corporation		2,397.00
Denish Marwadi		40,500.00
Golden Crane Service		6,900.00
International It Solution		2,200.00
Jalaram Security Service		1,20,124.00
Manish Ashokbhai Gupta		88,340.00
MAX LIFE INSURANCE		10,85,536.25
Modern Synthetics		50,000.00
Modi Couriers		47,415.00
New Mahalaxmi Enterprise		8,925.00
Offshore Planning Services Pvt Ltd		5,05,620.00
Panchnath Roadways		3,731.00
Rainbow Sea Logistics		5,48,619.05
R M Patel		2,000.00
Roots Corporation Ltd	519.00	
Sachin Notified Area Gidc Sachin		1,876.00
Satkar Automobiles		64,260.00
Shiv Purified Water		8,900.00
Shiv Synthetics Mills		1,26,562.00
Shree Ambe Bheraw Traders	394.00	
Skystock Services India Pvt Ltd		1,437.00
TUV SUD South Asia Pvt. Ltd		24,879.00
Vc Erp Consulting (P) Ltd		55,195.00
Y B Desai & Associates		41,053.00
Sundry Creditor for Import		
Sundry Creditor for Labour		19,62,243.08
Ajay Thakkar		1,50,000.00
Avdhut Engineering Works		27,120.00
Gajjar Industries		6,87,629.58
Green Cascade Farm & Nursery		13,960.00
Jay Manudevi Bobins		11,963.00
Mukund Industries		20,088.00
Naklank Anodise		1,18,941.50
New Shivkrupa Engineering Works		20,682.00
Om Engineering Work		2,800.00
Onest Poly Coat		83,575.00
Carried Over	4,24,078.00	57,40,095.38



continued ...

	Closing Balance	
	Debit	Credit
Brought Forward	4,24,078.00	57,40,095.38
Paras Plasma Sprayer		2,08,850.00
Rajmoti Powder Coating		1,72,702.00
Raj Veer Electro Plating		23,645.00
Riddhi Industries		1,61,595.00
Riddhi Powder Coat		65,263.00
Riddhi Powder Coating		11,304.00
Shivam Engineering Works		3,258.00
Shiv Crome		10,222.00
Shreekisun Meghu		1,00,001.00
Shree Sai Traders		49,404.00
S.K.Engineering Works		19,240.00
Sundry Creditor for Production Purchase	15,63,560.00	1,61,79,854.73
Abhishek Ispat Pvt Ltd		15,270.00
Aero Therm Systems Pvt Ltd		800.00
Agarwal Hardware and Pipes		2,117.00
Akshaya Instruments		1,216.00
Amit Enterprise		4,710.00
Anand Enterprise		
Apex Techno Polymer (P) Ltd	10,00,000.00	11,550.00
A.P. TEX MECH		15,33,600.00
Avanti Engineers		2,30,449.00
Avon Enterprise		3,12,042.00
Banco Aluminium Limited		1,598.00
Bhagat Textile Engineers		3,971.00
Bharat Manufacturing Works		1,85,178.00
Bhavani Bright Steel		20,993.40
Chandan Enterprises		9,272.00
Chetan Steel		10,100.00
Collective Trade Links Pvt Ltd		8,694.00
Darpan Bobin		18,264.00
Dhanlaxmi Metal Corporation		1,70,265.00
Dipak Plastic & Engineering Work	11,025.00	
Empire Electricals Pvt.Ltd.		1,36,672.00
Gujarat Polytex Pvt Ltd		5,33,602.00
Habasit Iakoka Pvt Ltd	2,51,696.00	
Hariprem Plastics		85,050.00
Indiana Technical Ceramics		1,54,796.00
Jariwala Trading Pvt. Ltd.		43,890.00
Jashoda Engineering Works		14,35,613.00
Jayant Electric Stores		863.00
JCM Enterprise		17,928.00
J.D. Impex		19,590.00
Jenish Electricals		1,06,699.50
J P Plastic & Engineering Works		12,018.00
Jupiter Ceramics		67,094.00
J V Industries		42,934.00
Jyoti Die Cast		94,874.00
Jyoti Metal & Mechanical Industries		2,42,078.00
Jyoti Packaging		75,107.00
K.B. Hardware & Tools		1,58,669.00
Kheteshwaar Engineeing Works		26,712.00
Kotspin Engineering Works		1,68,119.00
Krasnik Bearing Technologies		31,620.00
Krishna Corporation		47,173.00
Krunal Enterprise		4,12,568.00
Krunal R. Kansara		17,820.00
Carried Over	19,87,638.00	2,19,19,950.11



continued ...

	Closing Balance	
	Debit	Credit
Brought Forward	19,87,638.00	2,19,19,950.11
Laxmi Engineering		4,41,182.00
Laxmi Metals & Engineering Co.		6,23,311.00
Maa Enterprise		55,548.00
Madhuram Micron Tools Pvt Ltd		1,537.00
Maitry Laser Tech		1,98,180.00
Marutinandan Tex Parts		3,885.00
Max Engineering		21,000.00
Metronix Incorporation		80,400.00
Mototechnika		5,06,178.00
Navshkti Corporation		49,458.40
NDB Belting		12,975.00
Nidhi Corporation		3,94,146.50
Noble Plastic & Engg. Works		47,843.00
Okosu Ceratech Pvt Ltd		2,06,320.00
Param Precision		1,97,061.00
Patel Corporation		14,772.00
Pooja Industries		18,279.00
Premier India Bearings Ltd		2,50,474.00
Radhika Electricals		1,12,077.00
R Manilal & Sons		20,24,555.03
Rohit and Company	708.00	
Rotomotive Powerdrives India Limited		23,243.00
Royal Traders		1,34,400.00
R S Automation		11,99,473.00
Rudra Industries		1,08,255.00
Rutu Electronics		9,450.00
Rutu Marketing	2,61,494.00	
Sahashttra Marketing		41,160.00
Saikrupa Engineering Works		7,75,485.00
Sangita Enterprise		6,806.00
Sanket Technocast		50,408.00
Sartek Marketing Pvt Ltd		52,773.00
Satish Industries		20,171.00
Shah & Sons		22,260.00
Shree Ambe Bheraw Hardware Stores	637.00	
Shree Enterprise		12,359.00
Shreeji Electricals		1,05,437.00
Shree Ramkrishna Plastic Eng. Works		17,850.00
Shree Sai Steel		18,230.40
Shrirang Sales Corporation		75,096.00
Shri Sai Engineering Works		3,97,140.50
Silver Tex Industries		93,150.00
Spectrum Solutions and Technologies Pvt Ltd		1,47,489.00
Sunshine Metals		1,14,307.00
S.V.Plastic &Engineering Works		4,641.00
Swastik Corporation		9,818.00
Texraj Industries	38,000.00	
Tex Spares Industries		71,550.00
Tulsi Eletricals		38,395.00
Tulsi Switchgears		3,03,238.00
Unique Industries		3,771.00
Vijay Trade Centre		5,72,168.00
Vinod Steel Enterprise		20,570.00
Sundry Creditor for Tooling		31,941.00
Bhagwati Enterprise		7,589.00
Nirav Trading Company		24,352.00
Grand Total	19,87,638.00	2,19,51,891.11



Meera Industries Pvt Ltd
Annexure - II
Advance from Sundry Debtors

Particulars	Amount (In Rs.) as on 31.01.2017
<u>For Exports:</u>	
Pubali Fibre Industries	4,17,245
RCM Corporation	1,57,155
S A Park View General Trading LLC	10,36,250
Ulusoy Tekstil San. Ve Tic. A. S.	94,055
<u>For Local Sales:</u>	
Ashita Textile	2,79,724
Balaji Industries	50,000
C. K. Lace Industries	5,00,000
Fabcord International	20,00,000
Gem Threads India Pvt. Ltd.	3,361
Gomti Textile P. Ltd.	3,878
Jalan Jee Polytex Ltd.	1,00,000
Kancha Netting Mills	40,00,000
Neeta Yarns	2,89,828
Polycot (India)	2,00,000
Worldwide Safety Pvt. Ltd.	1,37,381
	92,68,877



Meera Industries Pvt Ltd
Annexure - III
Sundry Debtors

Particulars	Amount (In Rs.) as on 31.01.2017	
	Less than 6 Months	More Than 6 Months
<u>For Exports:</u>		
Adnan Enterprise	52,11,162	-
JTP Associates	-	14,062
Taiyaba Enterprise	31,33,728	-
<u>For Local Sales:</u>		
Annpurna Overseas Pvt Ltd	21,285	-
Anubhav Textiles	1,837	-
Bhavsar Hiralal Dayalal	-	36,250
Dodhia Synthetics Ltd	5,70,275	-
Faze Three Limited	-	93,962
Kiran Industries Pvt Ltd	10,510	-
Krishna Textiles	-	46,489
Kusumgar Corporates Pvt Ltd	4,694	7,650
Navneet Synthetics Ltd	7,240	-
Nemnath Industries	23,972	-
Pioneer Embroideries Limited	75,743	-
Pnr Industries Ltd	14,987	-
Riviera Home Furnishing Pvt Ltd	6,885	-
Sai Synthetics Industries	6,200	77,185
Shahloan Silk Industries Pvt.Ltd	16,431	-
Shree Chamunda Synthetics	64,094	-
Shree Govindam	58,528	-
Shree Ramchandra Silk Mills	18,000	-
Shrey Filament	-	19,152
Sunraxa Yarn Product	-	19,422
Surbhi Textile Mills Pvt Ltd	15,860	-
V N Dyers & Processors Pvt Ltd	-	1,43,247
	92,61,431	4,57,419

