

CA Rupanwar B.M. & Co.

Chartered Accountants

Shukrawar Peth Pune 411002.

FINAL STATEMENTS OF ACCOUNTS
AS ON 31ST MARCH 2019

OF

AMBEY VAISHNO STEELS PVT LTD
505A, DEMPO TRADE CENTER ,
PATTO PLAZA , PANAJI ,
GOA , 403001.

AMBEY VAISHNO STEELS PRIVATE LIMITED

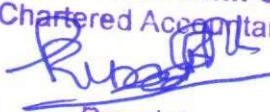
CIN: U27109GA2009PTC006107
BALANCE SHEET AS AT 31ST MARCH'2019

Particulars	Notes	As at 31.03.2019	As at 31.03.2018
A. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(i) Share Capital	3	127,000,000.00	127,000,000.00
(ii) Reserves and Surplus	4	<u>(857,900,820.92)</u>	<u>(809,388,218.98)</u>
		<u>(730,900,820.92)</u>	<u>(682,388,218.98)</u>
(2) Non-Current Liabilities			
(i) Long-term borrowings	5	162,874,703.00	162,874,703.00
(ii) Deferred tax liabilities (Net)	6	<u>19,006,051.73</u>	<u>18,658,335.34</u>
		<u>181,880,754.73</u>	<u>181,533,038.34</u>
(3) Current Liabilities			
(i) Short-term borrowings	7	201,263,223.84	201,263,223.84
(ii) Trade payables	8	393,796,529.20	393,070,726.85
(iii) Other current liabilities	9	79,498,643.80	79,894,024.60
(iv) Short-term provisions	10	-	-
		<u>674,558,396.84</u>	<u>674,227,975.29</u>
Total		<u>125,538,330.65</u>	<u>173,372,794.65</u>
B. ASSETS			
(1) Non-current assets			
(i) Fixed assets			
Tangible Assets	11	118,090,352.60	125,170,265.60
(ii) Long term loans and advances	12	25,000.00	1,096,300.00
(iii) Other Non-current assets	13	-	-
		<u>118,115,352.60</u>	<u>126,266,565.60</u>
(2) Current assets			
(i) Inventories	14	6,080,750.00	44,352,653.00
(ii) Trade receivables	15	-	1,470,246.00
(iii) Cash and cash equivalents	16	1,042,575.05	987,667.05
(iv) Short-term loans and advances	17	<u>299,653.00</u>	<u>295,663.00</u>
		<u>7,422,978.05</u>	<u>47,106,229.05</u>
Total		<u>125,538,330.65</u>	<u>173,372,794.65</u>

Significant Accounting Policies

The accompanying notes form an integral part of the financial statements.

As per our report of even date attached.

RUPANAWAR B.M. & CO
Chartered Accountants

Proprietor
B. M. RUPANAWAR

Place: Pune
DATE : 30th June, 2019



For and on behalf of the Board of Directors
Ambev Vaishno Steels Private Limited

Ashok Jindal
Director

Rohit Jindal
Director

AMBEY VAISHNO STEELS PRIVATE LIMITED

CIN: U27109GA2009PTC006107

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH'2019

Particulars	Notes	As at 31.03.2019	As at 31.03.2018
A. INCOME			
(1) Revenue from operations	18	1,988,148.00	1,958,787.00
(2) Other Income	19	47,878.45	324,156.00
Total		2,036,026.45	2,282,943.00
B. EXPENSES			
(1) Cost of materials consumed	20	38,271,903.00	69,278,683.00
(2) Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	21	-	-
(3) Employee benefit expense	22	993,000.00	1,106,000.00
(4) Financial costs	23	-	7,353.39
(5) Depreciation and amortization expense	24	7,079,913.00	7,667,022.00
(6) Other expenses	25	3,856,096.00	110,809,451.74
Total		50,200,912.00	188,868,510.13
C. Profit before tax		(48,164,885.55)	(186,585,567.13)
D. Tax expense:			
(1) Current tax		347,716.39	563,842.23
(2) Deferred tax			
E. Profit after tax		(48,512,601.94)	(187,149,409.36)
Basic and Diluted Earning per equity share of Rs. 100 each	26	(38.20)	(147.36)

Significant Accounting Policies

2

The accompanying notes form an integral part of the financial statements.

As per our report of even date attached.

For and on behalf of the Board of Directors
Ambev Vaishno Steels Private Limited

RUPANAWAR B.M. & CO
Chartered Accountants


B. M. RUPANAWAR
Proprietor

Place: Pune

DATE : 30th June, 2019




Ashok Jindal
Director



Rohit Jindal
Director

AMBEY VAISHNO STEELS PRIVATE LIMITED
CIN: U27109GA2009PTC006107
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH'2019

Particulars	Notes	As at 31.03.2019	As at 31.03.2018
Cash flows from operating activities			
Net profit before tax		(48,164,885.55)	(186,585,567.13)
<i>Adjustments for:</i>			
Depreciation and amortisation		7,079,913.00	7,667,022.00
Interest expenses		0.00	7,353.39
Interest on fixed deposits		(39,895.00)	(40,389.00)
Operating cash flow before working capital changes		<u>(41,124,867.55)</u>	<u>(178,951,580.74)</u>
<i>Adjustments for:</i>			
(Increase) / decrease in trade receivable		1,470,246.00	(8,319.00)
(Increase) / decrease in short term loans and advances		(3,990.00)	1,003,920.00
(Increase) / decrease in inventories		38,271,903.00	69,278,683.00
Increase / (Decrease) in trade payables		725,802.35	5,975,398.24
Increase / (Decrease) in other current liabilities		(395,380.80)	(1,361,346.46)
Cash generated from operations		<u>(1,056,287.00)</u>	<u>(104,063,244.96)</u>
Taxes paid			
Net cash generated from operating activities		<u>(1,056,287.00)</u>	<u>(104,063,244.96)</u>
Cash flows from investing activities			
Purchase of fixed assets		0.00	0.00
(Increase) / decrease in long term loans and advances		1,071,300.00	0.00
Interest received		39,895.00	40,389.00
Net cash used in investing activities		<u>1,111,195.00</u>	<u>40,389.00</u>
Cash flows from financing activities			
Long term loans Taken/(Repaid)		0.00	(500,000.00)
Interest paid		0.00	(7,353.39)
Share Application Money received		-	-
Net cash used in financing activities		<u>0.00</u>	<u>(507,353.39)</u>
Net increase in cash and bank balances		54,908.00	(104,525,209.39)
Cash and bank balances at the beginning of the year		(200,275,556.79)	(95,750,347.40)
Cash and bank balances at the end of the year		<u>(200,220,648.79)</u>	<u>(200,275,556.79)</u>



AMBEY VAISHNO STEELS PRIVATE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH'2019 (Continued)

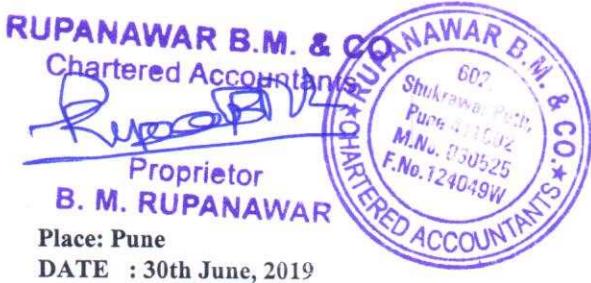
Particulars	Notes	As at 31.03.2019	As at 31.03.2018
Notes to cash flow statement			
1. The above Cash Flow Statement has been prepared under the "Indirect Method"			
2. Component of cash and cash equivalents			
Cash and cash equivalents			
- Cash on hand		391,740.50	372,737.50
Balance with banks:			
In current accounts		23,510.55	23,510.55
In cash credit accounts		(201,263,223.84)	(201,263,223.84)
Short-Term Deposits with Bank held as margin money		627,324.00	591,419.00
		<u>(200,220,648.79)</u>	<u>(200,275,556.79)</u>

As per our report of even date attached.

For and on behalf of the Board of Directors
Ambev Vaishno Steels Private Limited

Ashok Jindal
Director

Rohit Jindal
Director



AMBEY VAISHNO STEELS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH '2019

1 Company overview

Ambey Vaishno Steels Pvt. Ltd. is engaged in manufacturing of M.S. Billets and the plant is located at B-71, Five Star MIDC, Kagal, Kolhapur.

2 Summary of significant accounting policies

a. Basis of preparation of the accounts

These financial statements have been prepared and presented on the accrual basis of accounting and comply with the Accounting Standards Companies (Accounting standards) Rules, 2006 which continued to apply under Section 133 of the Companies Act, 2013 ('the Act'), read with Rule 7 of the Companies (Accounts) Rules, 2014 and other relevant provisions of the Act to the extent applicable.

b. Use of estimates

The preparation of the financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires the management to make judgments, estimates and assumptions that affect the application of accounting policy and reported amounts of assets, liabilities and disclosure of contingent liabilities as of the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ materially from those estimates. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of relevant trends and circumstances as at the date of the financial statements. Any revision to accounting estimates is recognized prospectively in current and future periods.

c. Current and non-current classification

All assets and liabilities are classified into current and non-current.

Assets

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

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

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

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

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

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

Operating cycle

The Company has ascertained its operating cycle as twelve months for the purpose of current and non current classification of assets and liabilities.



AMBEY VAISHNO STEELS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH '2019 (Continued)

d. Inventories

Inventories are valued at the lower of cost on weighted average basis and the net realizable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.

The company holds non-moving stock due to severely impacted business & non-availability of working capital and hence inventories are lying unsold thereby losing substantial value. The company's electricity connection has also been disconnected since 29.04.2016 and hence the operations have been shut down. Certain items in stock have lost value to a great extent on account of lying idle, due to substantial quality deterioration. The company is putting sincere efforts to liquidate the stocks in their current state to realise the best possible value. The company managed to sell stock in lots to the local vendors in and around Maharashtra to meet up its crucial and vital expenses like legal, professional, security, salary and other miscellaneous expenses.

e. Fixed assets

Tangible fixed assets are carried at cost of acquisition less accumulated depreciation and/or accumulated impairment loss, if any. The cost of tangible fixed assets includes taxes (to the extent not recoverable from authorities), duties, freight and other incidental expenses related to the acquisition and installation of respective assets. Subsequent expenditure is capitalized only when it increases the future economic benefits from the specific asset to which it relates.

A fixed asset is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal.

Advances paid towards the acquisition of the fixed assets and the cost of assets not ready for their intended use as at Balance sheet date are disclosed under short term loans and advances on account of the assets being ready to be put to use within 12 months.

f. Depreciation

Depreciation has been provided on the straight line method as per the useful life prescribed by Schedule II of Companies Act'2013

g. Cash and cash equivalents

Cash and cash equivalents comprise cash and cash on deposits with banks.

h. Cash flow statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of non cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

i. Foreign currency transactions

Foreign currency transactions are recorded at appropriate daily average exchange rate prevailing on the date of transaction. Exchange difference arising on foreign currency transactions, between the actual rate of settlement and the rate on the date of transactions, is charged or credit to statement of profit and loss. Monetary assets and liabilities denominated in foreign currencies as at the Balance sheet date, not covered by foreign exchange contract are translated at the exchange rates prevailing on the Balance sheet date and the overall net exchange gain or loss on such conversion, if any, is credited/charged to the statement of profit and loss.

j. Revenue recognition

Sales are recognized, net of returns and trade discounts, excluding the taxes on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers.

Revenue from rentals is recognized, exclusive of service tax, as and when they become due as per the contractual agreements/arrangements with the tenant

k. Interest income

Interest income is accounted on accrual basis.



AMBEY VAISHNO STEELS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH '2019 (Continued)

l. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

m. Provisions and contingencies

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

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are not recognized in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs.

As per AS-4 and 5, the company hereby discloses that after the end of the current FY, a significant event in the form of disconnection of industrial power lines has disrupted the manufacturing and operations of the company since June'2016

n. Borrowing Cost

Borrowing costs include interest, amortization of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilized for qualifying assets, pertaining to the period from commencement of activities relating to construction/ development of the qualifying asset up to the date of capitalization of such asset is added to the cost of the assets.

o. Income tax

Income tax expense comprises of current tax expense and deferred tax expense or credit computed in accordance with the relevant provisions of the Income Tax Act 1961. Provision for current taxes is recognized under the taxes payable method based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the Indian Income-tax Act, 1961.

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to timing differences that result between the profits offered for income taxes and the profits as per the financial statements of the Company. Deferred tax assets and liabilities are measured using the tax rates and the tax laws that have been enacted or substantively enacted by the balance sheet date. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the period that includes the enactment rate.

p. Regroup & Reclassification of accounts

Previous years figures have been regrouped and reclassified wherever necessary.

q. Preliminary expenses

1/5 of the preliminary expenses are written off every year.



AMBEY VAISHNO STEELS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH '2019 (Continued)

	As at 31.03.2019	As at 31.03.2018
Authorised		
13,00,000 equity shares of Rs.100 each	130,000,000.00	130,000,000.00
	<u>130,000,000.00</u>	<u>130,000,000.00</u>
Issued, subscribed and paid up		
12,70,000 equity shares of Rs.100 each	127,000,000.00	127,000,000.00
	<u>127,000,000.00</u>	<u>127,000,000.00</u>

Reconciliation of shares outstanding at the beginning and at the end of the reporting year

	As at 31.03.2019		As at 31.03.2018	
	Number	Amount	Number	Amount
Equity shares				
At the commencement of the year	1,270,000	127,000,000	1,270,000	127,000,000
Shares issued during the year				
At the end of the year	1,270,000	127,000,000	1,270,000	127,000,000

Particulars of shareholders holding more than 5% of equity shares

	As at 31.03.2019		As at 31.03.2018	
	Number	% of total shares in this class	Number	% of total shares in this class
Jai Mata International Pvt. Ltd.	364,580	28.71%	364,580	28.71%
Ashok Kumar Jindal	208,030	16.38%	208,030	16.38%
Shree Siddhi Vinayak Ispat Pvt. Ltd.	190,390	14.99%	190,390	14.99%
Shree Bhimeshwari Ispat Pvt. Ltd.	137,000	10.79%	137,000	10.79%
Jyoti Ashok Jindal	81,750	6.44%	81,750	6.44%
Rohit Ashok Jindal	100,000	7.87%	100,000	7.87%

	As at 31.03.2019	As at 31.03.2018
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Surplus (Profit and loss balance)

At the commencement of the year	(809,388,218.98)	(622,238,809.62)
Profit for the year	(48,512,601.94)	(187,149,409.36)
Total reserves and surplus	(857,900,820.92)	(809,388,218.98)

	As at 31.03.2019	As at 31.03.2018
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5 Long-term borrowings

Secured Loans		
State Bank of India Term Loan	3,460,872.00	3,460,872.00

UNSECURED LOAN

Loans from Friends and Relatives	159,413,831.00	159,413,831.00
	<u>159,413,831.00</u>	<u>159,413,831.00</u>
	162,874,703.00	162,874,703.00

	As at 31.03.2019	As at 31.03.2018
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6 Deferred Tax Liability

Opening Balance	18,658,335.34	18,094,493.11
Add: Current year's liability	347,716.39	563,842.23
	<u>19,006,051.73</u>	<u>18,658,335.34</u>



AMBEY VAISHNO STEELS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH '2019 (Continued)

	As at 31.03.2019	As at 31.03.2018
7 Short-term borrowings		
Cash Credit Facility From State Bank Of India <i>(Secured by way of Hypothecation of stocks, present & future Book Debts of the Company along with personal guarantee of Directors.)</i>	201,263,223.84	201,263,223.84
	<u><u>201,263,223.84</u></u>	<u><u>201,263,223.84</u></u>
8 Trade Payable	As at 31.03.2019	As at 31.03.2018
Trade Payable	393,796,529.20	393,070,726.85
	<u><u>393,796,529.20</u></u>	<u><u>393,070,726.85</u></u>
9 Other Current Liabilities	As at 31.03.2019	As at 31.03.2018
Payables for expenses	6,251,571.00	6,169,671.80
Provisions for expenses		
Professional Fees	10,000.00	22,500.00
Audit Fees	15,000.00	22,500.00
Electricity Expenses	32,660,400.00	32,660,400.00
Telephone expenses		8,053.00
Water Expenses	58,516.00	129,816.00
	<u><u>32,743,916.00</u></u>	<u><u>32,843,269.00</u></u>
Statutory dues payable		
PF Payable	35,716.00	35,716.00
Profession Tax	236,901.00	236,901.00
Excise Payable	901,378.00	901,378.00
TDS Payable		48,652.00
Income Tax Payable	1,730,920.00	1,730,920.00
Service Tax Payable	1,009,555.00	1,009,555.00
VAT Payable	36,588,686.80	36,917,961.80
	<u><u>40,503,156.80</u></u>	<u><u>40,881,083.80</u></u>
	<u><u>79,498,643.80</u></u>	<u><u>79,894,024.60</u></u>
10 Short-term Provisions	As at 31.03.2019	As at 31.03.2018
12 Long-term Loans and Advances	As at 31.03.2019	As at 31.03.2018
<i>(Unsecured, considered good unless otherwise stated)</i>		
Balances with Government Authorities		71,300.00
Security Deposits given	25,000.00	25,000.00
Other Loans and advances		1,000,000.00
	<u><u>25,000.00</u></u>	<u><u>1,096,300.00</u></u>



AMBEY VAISHNO STEELS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH '2019
(Continued)

11 Fixed Assets

Sr. No	Particulars	Useful Life	Gross Block			Value at the beginning	Addition during the year	Deduction during the year	Depreciation	Value at the end	Value at the end of the year	WDV as on 31.03.2019	WDV as on 31.03.2018	Net Block
			Value at the beginning	Addition during the year	Deduction during the year									
(A) 1	TANGIBLE ASSETS	0	4,524,891.00	-	-	4,524,891.00	-	-	-	-	-	4,524,891.00	4,524,891.00	
2	Land - B-71, MIDC Kagal	30	46,389,085.00	-	-	46,389,085.00	10,518,669.70	1,295,733.00	-	11,814,402.70	-	34,574,682.30	35,870,415.30	
3	Factory Building	30	2,944,541.00	-	-	2,944,541.00	538,277.74	87,077.00	-	625,354.74	-	2,319,186.26	2,406,263.26	
4	Office Building	20	107,334,788.00	-	-	107,334,788.00	35,482,193.07	4,105,856.00	-	39,588,049.07	-	67,746,738.93	71,852,594.92	
5	Plant & Machinery	10	23,342,667.00	-	-	23,342,667.00	13,242,564.96	1,534,810.00	-	14,777,374.96	-	8,565,292.04	10,100,102.04	
6	Electrical Installations	10	179,961.00	-	-	179,961.00	99,643.89	11,113.00	-	110,756.89	-	69,204.11	80,317.11	
7	Furniture & Fixtures	5	143,802.00	-	-	143,802.00	113,940.25	7,660.00	-	121,600.25	-	22,201.75	29,861.75	
8	Office Equipments	10	255,812.00	-	-	255,812.00	137,117.33	16,697.00	-	153,814.33	-	101,997.67	118,694.67	
9	Laboratory Equipments	10	359,298.00	-	-	359,298.00	185,955.67	20,967.00	-	206,922.67	-	152,375.33	171,342.33	
10	Two Wheelers	3	285,766.00	-	-	285,766.00	271,982.80	-	-	271,982.80	-	13,783.20	13,783.20	
	As at 31st March'2019		185,760,611.00	-	-	185,760,611.00	60,590,345.41	7,079,913.00	-	67,670,238.41	-	118,090,322.59	125,170,265.58	
	As at 31st March'2018		185,765,611.00	-	-	185,765,611.00	52,923,323.40	7,667,922.00	-	60,590,345.40	-	125,170,265.58	125,170,265.58	



AMBEY VAISHNO STEELS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH '2019 (Continued)

13 Other Long-term assets	As at 31.03.2019	As at 31.03.2018
14 Inventories	As at 31.03.2019	As at 31.03.2018
Raw Materials	4,220,750.00	42,298,038.00
Stores and Spares	1,860,000.00	2,054,615.00
Finished Goods and Work-In-Progress	<u>-</u>	<u>-</u>
	<u>6,080,750.00</u>	<u>44,352,653.00</u>
15 Trade Receivable	As at 31.03.2019	As at 31.03.2018
Unsecured, Considered Good (Less Than 6 months)	<u>1,470,246.00</u>	<u>1,470,246.00</u>
	<u>1,470,246.00</u>	<u>1,470,246.00</u>
16 Cash and bank balances	As at 31.03.2019	As at 31.03.2018
Cash and cash equivalents		
- Cash on hand	391,740.50	372,737.50
Balance with banks:		
On current accounts	23,510.55	23,510.55
	<u>415,251.05</u>	<u>396,248.05</u>
Other bank balances		
Balances with Bank held as margin Money	627,324.00	591,419.00
	<u>627,324.00</u>	<u>591,419.00</u>
	<u>1,042,575.05</u>	<u>987,667.05</u>
17 Short-term Loans and advances	As at 31.03.2019	As at 31.03.2018
<i>(Unsecured, considered good unless otherwise stated)</i>		
Balances with Government Authorities		
Cenvat and Service Tax Credit Receivable		
Income Tax Credit	287,477.00	287,477.00
TDS Credit Receivable	<u>12,176.00</u>	<u>8,186.00</u>
	<u>299,653.00</u>	<u>295,663.00</u>
	<u>299,653.00</u>	<u>295,663.00</u>



AMBEY VAISHNO STEELS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH '2019 (Continued)

	As at 31.03.2019	As at 31.03.2018
Gross Sales	1,988,148.00	1,958,787.00
Less: Taxes on sale		
Net Sales	<u>1,988,148.00</u>	<u>1,958,787.00</u>
19 Other Income	As at 31.03.2019	As at 31.03.2018
Discount received	7,983.45	283,767.00
Interest on Fixed Deposit with Banks and Financial Institutions	39,895.00	40,389.00
	<u>47,878.45</u>	<u>324,156.00</u>
20 Cost of Raw Material Consumed	As at 31.03.2019	As at 31.03.2018
Opening Stock of Raw Materials	42,298,038.00	110,041,921.00
Add: Purchases		
	<u>42,298,038.00</u>	<u>110,041,921.00</u>
Less: Closing Stock of Raw Materials	4,220,750.00	42,298,038.00
Raw Materials Consumed	<u>38,077,288.00</u>	<u>67,743,883.00</u>
Opening Stock of Stores and Consumables	2,054,615.00	3,589,415.00
Add: Purchases		
	<u>2,054,615.00</u>	<u>3,589,415.00</u>
Less: Closing Stock of Stores & Consumables	1,860,000.00	2,054,615.00
Stores & Consumables Consumed	<u>194,615.00</u>	<u>1,534,800.00</u>
Cost of Raw Material & Stores & Consumables Consumed	<u>38,271,903.00</u>	<u>69,278,683.00</u>



AMBEY VAISHNO STEELS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH '2019 (Continued)

	As at 31.03.2019	As at 31.03.2018
21 Change in Inventory of Finished Goods		
Opening Stock of Finished Goods	-	-
Less: Closing Stock of Finished Goods	-	-
Change in Inventory	<u><u>-</u></u>	<u><u>-</u></u>
22 Employee Benefit Expenses		
Labour Charges	699,000.00	626,000.00
Salaries and Incentives	204,000.00	120,000.00
Salaries to Directors	90,000.00	360,000.00
Staff Welfare Expenses	<u><u>993,000.00</u></u>	<u><u>1,106,000.00</u></u>
23 Finance Cost		
Bank Charges & Commission		7,353.39
LC & Bank Guarantee Expenses		<u><u>7,353.39</u></u>
24 Depreciation and amortization expenses		
Depreciation	7,079,913.00	7,667,022.00
	<u><u>7,079,913.00</u></u>	<u><u>7,667,022.00</u></u>
25 Other Expenses		
Interest on Direct Taxes	5,296.00	1,022.00
Interest on Indirect Taxes	1,750,000.00	2,909,883.00
Legal & Professional Fees	1,599,800.00	268,376.00
Audit Fees	15,000.00	22,500.00
Office Expenses	250,000.00	
Vehicle Running & Maintenance	236,000.00	120,000.00
Discount		104,921,228.00
Prior Period Expenses	<u><u>3,856,096.00</u></u>	<u><u>2,566,442.74</u></u>
* Note: Payment to auditors		
As auditors - statutory audit	12,500.00	12,500.00
For taxation matters	<u><u>12,500.00</u></u>	<u><u>12,500.00</u></u>
	<u><u>25,000.00</u></u>	<u><u>25,000.00</u></u>



AMBEY VAISHNO STEELS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH '2019 (Continued)

26 Earnings per share	As at 31.03.2019	As at 31.03.2018
Profit after tax	(48512601.94)	(187149409.36)
Weighted average number of equity shares outstanding during the year	1270000.00	1270000.00
Earnings per share (Rs.) - Basic and diluted	(38.20)	(147.36)

Since the Company does not have any dilutive securities, the basic and diluted EPS are the same.

As per our report of even date attached.

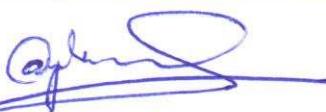
RUPANAWAR B.M. & CO.
Chartered Accountants

Proprietor
B. M. RUPANAWAR

Place: Pune
DATE : 30th June, 2019



For and on behalf of the Board of Directors
Ambev Vaishno Steels Private Limited


Ashok Jindal
Director


Rohit Jindal
Director

Independent Auditors' Report

TO THE MEMBERS OF AMBEY VAISHNO STEELS PRIVATE LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Ambey Vaishno Steels Pvt. Ltd. ("the Company"), which comprise the Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss, the Cash Flow Statement for the year ended 31st March, 2019, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone 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 (Standalone) 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 maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



Auditor's Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2019, and its profit/loss and its cash flows for the year ended on that date.



Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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 purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
 - d. in our opinion, the aforesaid (Standalone) 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 March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.

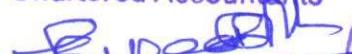


ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

RUPANAWAR B.M. & CO

Chartered Accountants



Proprietor
B. M. RUPANAWAR



Place: Pune

Date: 30th June'2019

"Annexure A" to the Independent Auditors' Report

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2019:

- 1 (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
(b)The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
(c)The title deeds of immovable properties are held in the name of the company.
- 2 (a) The management has conducted the physical verification of inventory at reasonable intervals.
(b)The discrepancies noticed on physical verification of the inventory as compared to books records has been properly dealt with in the books of account.
(c) It may be noted that substantial inventory is non-moving in nature over the past 2 financial years and on physical verification they seemed to have corroded / damaged, since the nature of inventory is such that it loses its value due to corrosion with passage of time. Such inventory has been stated at its realisable value, which, in few types, is scrap.
(d)The company is putting sincere efforts to liquidate the inventory in their current state to realise the best possible value. The company managed to sell stock in lots to the local vendors in and around Maharashtra to meet up its crucial and vital expenses like legal, professional, security, salary and other miscellaneous expenses.
- 3 The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.



- 4 In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
- 5 The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6 We have reviewed the books of account maintained by the Company pursuant to rules specified by the Central Government under sub-section (1) of section 148 of the Companies Act related to manufacture of iron and steel products and are of the opinion that the specified accounts and records have been maintained. We have not, however made a detailed examination of the same.
- 7 According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been not been regular in depositing undisputed and disputed statutory dues including Provident Fund, Income-Tax, Service Tax, Duty of Excise, Value added Tax and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, the statutory dues payable in respect of above mentioned taxes are to the extent of Rs. 4,05,03,157/-as at March 31, 2019.
- 8 The Company has defaulted in payment of dues to banks and FIs and the bank accounts of the company have been classified as Non-performing Assets.
- 9 Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10 Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11 The managerial remuneration clauses mandated by the provisions of section 197 read with Schedule V to the Companies Act is not applicable.



- 12 In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13 In our opinion, all transactions with the related parties are in compliance with section 188 of Companies Act, 2013 and separate details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14 Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- 15 Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16 In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.



Place: Pune

Date: 30th June'2019

"Annexure B" to the Independent 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 **Ambey Vaishno Steels Pvt. Ltd.** ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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



Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, 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 March 31, 2019, 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.



Place: Pune

Date: 30th June'2019

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

AMBEY VAISHNO STEELS PRIVATE LIMITED

YEAR - 2018-19

I. Registration Details

Registration No.

U27109GA2009PTC006107

State Code

G A

Balance Sheet Date

2 | 8 | - | 0 | 8 | - | 2 | 0 | 1 | 9

II. Capital raised during the year (Rupees in thousands)

Public Issue

N I L

Rights Issues

N I L

Bonus Issue

N I L

Private Placements

N I L

III. Position of the mobilisation and Development of Funds (Rupees in thousands)

Total Liabilities

1 | 2 | 5 | 5 | 3 | 8

Total Assets

1 | 2 | 5 | 5 | 3 | 8

Sources of Funds

Paid up Capital

1 | 2 | 7 | 0 | 0 | 0

Reserves & Surplus

N I L

Secured Loans

3 | 4 | 6 | 0

Unsecured Loans

1 | 5 | 9 | 4 | 1 | 3

Share Application Money

N I L

Other Long Term Liabilities

N I L

Deferred Tax Liability

1 | 9 | 0 | 0 | 6

Application of Funds

Net Fixed Assets

1 | 1 | 8 | 0 | 9 | 0

Investments

N I L

Net Current Assets

- | 6 | 6 | 7 | 1 | 3 | 5

Miscellaneous Expenditure

N I L

Accumulated Losses

- | 8 | 5 | 7 | 9 | 0 | 0

Long Term Loans and Advances

2 | 5

IV. Performance of Company (Rupees in thousands)

Total Income

2 | 0 | 3 | 6

Total Expenditure

5 | 0 | 2 | 0 | 0

Profit before tax

- | 4 | 8 | 1 | 6 | 4

Profit after tax

- | 4 | 8 | 5 | 1 | 2

Earning per share (in Rs.)

- | 3 | 8 | . | 2 | 0

Dividend Rate %

N I L

V. Generic name of Three principal products / Services of the company (As per monetary terms)

Item code no. (ITC code no.)

7 | 2 | 0 | 7 | 1 | 9 | 2 | 0

Product Description

M . S . B I L L E T

RUPANAWAR B.M. & CO

Chartered Accountants

Rupanawar

Proprietor

B. M. RUPANAWAR



For and on behalf of the Board of Directors

Ambey Vaishno Steel Pvt. Ltd.

Cyle

Ashok Jindal
Director

Raj Jindal

Rohit Jindal
Director

Place: Pune

DATE : 30th June, 2019

