AANVIK MERCANTILE PRIVATE LIMITED

10^{TH} ANNUAL REPORT
2017-2018

AANVIK MERCANTILE PRIVATE LIMITED

BOARD OF DIRECTORS:

NARENDER SURANA	-	DIRECTOR
DEVENDRA SURANA	-	DIRECTOR
MITALI SURANA	-	ADDITIONAL DIRECTOR

REGISTERED OFFICE:

5TH FLOOR, SURYA TOWERS,
SARDAR PATEL ROAD
SECUNDERABAD 500003 TG IN
CIN: U27100TG2008PTC125034

AUDITORS:

M/S. LUHARUKA & ASSOCIATES
CHARTERED ACCOUNTANTS
5-4-187/3 & 4, 2ND FLOOR, SOHAM MANSION,
M.G. ROAD, RANIGUNJ,
SECUNDERABAD - 500 003

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given to all members of the Company that the 10th Annual General Meeting of **Aanvik Mercantile Private Limited** will be held on Monday the 4th July, 2018 at 03.00 P.M at the Registered Office of the Company at 5th Floor, Surya Towers, S P Road, Secunderabad - 500 003 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2018 and the Statement of Profit and Loss and Cash Flow Statement along with Notes to Accounts for the year ended 31st March, 2018 and Auditors' Report & Directors' Report thereon.

2. To appoint a Director in place of Shri. Narender Surana who retires by rotation and being eligible, offers himself for re-appointment.

3. To appoint Auditors of the Company and to fix their remuneration:

   To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to Sections 139 and 142 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time, and on recommendation of the Board, M/s. Luharuka & Associates, Chartered Accountants (Firm Registration No. 001882S) be and is hereby appointed as the Statutory Auditors of the Company, to hold office for a period of five consecutive years from the conclusion of 10th Annual General Meeting till the conclusion of 15th Annual General Meeting of the Company to be held in the year 2023, on a remuneration as may be decided by the Board of Directors."

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass with or without modification, the following Resolution as an **ORDINARY RESOLUTION:**

   "RESOLVED THAT pursuant to the provisions of Section 149, 152, 161 and any other applicable provisions of the Companies Act, 2013 and Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) made there under, Ms. Mitali Surana, who was appointed as an Additional Director of the Company by the Board of Directors w.e.f. 15.06.2018 and who holds office up to the date of this Annual General meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing the candidature for the office of the Director of the Company, be and is hereby appointed as Director of the Company.

   RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution".

By Order of the Board
For AANVIK MERCANTILE PRIVATE LIMITED

DEVENDRA SURANA
CHAIRMAN

Place: Secunderabad
Date: 15.06.2018

NOTE:

1. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies, to attend and vote instead of himself and the proxy need not be a member of the company. Proxies in order to be effective must be deposited at the registered office of the company not less than 48 hours before the commencement of the meeting.

2. The Explanatory Statement under Section 102 of the Companies Act, 2013 is annexed herewith and forms part of the notice.

EXPANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

Item No. 4

The Board of Directors of the Company appointed Ms Mitali Surana as Additional Director of the Company, pursuant to the provisions of Section 161 of the Companies Act, 2013 and the Article of Association of the Company, w.e.f 15.06.2018. In terms of the provision of the Act, Ms Mitali Surana would hold office upto the date of the ensuing Annual General Meeting.

The Company has received notice from a member under section 160 of the Act proposing the candidature of Ms Mitali Surana for the office of Director of the Company. In the opinion of the Board, Ms Mitali Surana fulfills the requisite for the appointment as Director as specified in the Act. Keeping in view his expertise and knowledge, it will be in the interest of the Company to appoint Ms Mitali Surana as Director of the Company.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution.

By Order of the Board
For AANVIK MERCANTILE PRIVATE LIMITED

MSurana

DEVENDRA SURANA
CHAIRMAN

Place: Secunderabad
Date: 15.06.2018

DIRECTORS REPORT

To
The Members of
Aanvik Mercantile Private Limited

Your Directors have pleasure in presenting the 10th Annual Report together with the Audited Accounts of the Company for the Year ended 31st March, 2018 and the Auditor's Report thereon.

FINANCIAL RESULTS:

Your company financial results for the year 2017-2018 are given below in summarized format:

(Amount in Rs.)

Particulars	For the Period ended on 31/03/2018 Rs.	For the Period ended on 31/03/2017 Rs.
INCOME		
a) Income from operations	-	-
b) Other Income	15,000	105,072
	15,000	105,072
EXPENDITURE		
a) Finance Cost	2,799	7,822,574
b) Depreciation	1,505,831	-
C) Other Expenses	48,458	520,211
(Loss)/Profit before Taxation	**(1,542,088)**	**(8,237,713)**
Tax Expenses		
i) Current Tax	-	-
ii) Deferred Tax	-	-
Profit After Tax	**(1,542,088)**	**(8,237,713)**
Balance C/F to Balance Sheet	**(50,143,502)**	**(18,601,414)**
EPS-BASIC & DILUTED	-	-

DIVIDEND:

Your directors do not recommend any dividend on equity shares for the financial year ended March 31, 2018.

BUSINESS DEVELOPMENT AND RESTRUCTURING:

During the year under review, M/s. Bhagyanagar India Limited has acquired 100% Equity Shares of the Company and thereby it became a wholly-owned subsidiary of M/s. Bhagyanagar India Limited w.e.f 6th February, 2018.

Further the Company plans to set up of copper factory with larger space and modern technology and facilities at the Company's land admeasuring 65 Acres situated at Shabhashpally Village, Shivampet Mandal, Medak District, Telangana state. All the major statutory approvals obtained and construction work is started.

The shareholders at their Extraordinary General Meeting held on 28.02.2018 approved for change in main objects of the Company to carry on the copper business and its related activities.

Further the Company's registered office has been shifted from the State of Maharashtra to Telangana State vide the Regional Director Order dated 28.05.2018 and approved by ROC vide certificate dated 11/06/2018.

SUBSIDIARY/ JV/ ASSOCIATE COMPANY:

The Company does not have any Subsidiary, Joint venture or Associate Company.

RESERVES:

During the year under review, no Amount is allocated or transferred to Reserves.

FIXED DEPOSITS:

The Company has not accepted any public deposits during the financial year 2017-2018.

SHARE CAPITAL

The Company increased the Authorised Share Capital from Rs. 1,00,00,000/- (Rupees One Crores only) to Rs. 20,00,00,000/- (Rupees Twenty Crores only) divided into 2,00,00,000 (Two Crores only) of equity shares of Rs.10/- (Rupees Ten only).

As on 31.03.2018 the Paid-up capital of the Company is Rs.14,69,50,000/- (Rupees Fourteen Crores Sixty Nine Lakhs and Fifty Thousand Only) divided into 1,46,95,000 (One Crore Forty Six Lakhs Ninety Five Thousand) Equity Shares of Rs.10/- each.

SECRETARIAL STANDARDS:

The Directors state that applicable Secretarial Standards, i.e., SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

DIRECTORS:

During the year under review, Shri Narender Surana and Shri Devendra Surana were appointed as Directors of the company w.e.f 06.02.2018 and Ms Mitali Surana was appointed as Additional Director of the Company w.e.f 15.06.2018.

Shri Ashok Gordhandas Nawal and Shri Amol Rajendra Nawal resigned from the Board w.e.f 16.02.2018.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The details of loans, guarantees and investments under section 186 of the Companies Act, 2013 are given in the notes to the financial statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

All related party transactions that were entered into during the financial year were on arm's length basis and were in ordinary course of business. The disclosure on related party transactions are made in the Financial Statements of the Company. There are no materially significant related party transactions made by the company with promoters, Key managerial personnel or other designated persons which may have potential conflict with interest of company at large.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

There are no significant material changes and commitments occurred between the end of the financial year of the company to which the financial statements relate and the date of the report, affecting the financial position of the company.

BOARD MEETINGS:

During the year the Board of Directors duly met 14 (Fourteen) times were convened and held. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

In respect of each meeting proper notices were given, the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors of the Company confirms that:

a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

d) The directors had prepared the annual accounts on a going concern basis; and

e) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

AUDITORS:

Shareholders at their Extra Ordinary General Meeting held on 07.02.2018 appointed M/s Luharuka & Associates, Chartered Accountants (FRN-001882S) as Statutory Auditors of the Company to conduct the audit for the Financial Year 2017-18 and to hold the office till the conclusion of this 10th Annual General Meeting of the Company, in place of M/s. R.A. Kuvadia & Co., Chartered Accountants, who resigned.

M/s. Luharuka & Associates, Chartered Accountants have confirmed that their appointment, if made, shall be in accordance with the provisions of Section 139 of the Companies Act, 2013. Accordingly, a resolution seeking members' approval on appointment of M/s. Luharuka & Associates, Chartered Accountants, as the Statutory Auditors of the Company for a period of five consecutive years is included at Item No. 3 of the Notice convening the Annual General Meeting.

AUDITORS REPORT:

The Auditors' Report to the shareholders does not contain any qualifications. The Secretarial Audit Report is not applicable to the Company.

EXTRACT OF ANNUAL RETURN:

The extract of annual return of the Company for the financial year 2017-2018 as provided under sub-section (3) of section 92, in the Form No. MGT.9 is annexed herewith.

CORPORATE SOCIAL RESPONSIBILITY:

The Company does not fall under the criteria specified in Section 135 of the Companies Act, 2013 and hence no policy was developed by the company on corporate social responsibility.

RISK MANAGEMENT:

The Company does not have any Risk Management Policy as the elements of risk threatening the Company's existence are very minimal.

PARTICULARS OF EMPLOYEES AND OTHER ADDITIONAL INFORMATION:

Your Company has no employees requiring disclosure pursuant to Section 197 of the Companies Act, 2013 read with Rule, 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo particulars required under section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is annexed herewith.

DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:

There is an adequate internal control system commensurate with the size of the Company and the nature of business.

ACKNOWLEDGMENTS:

Your Directors place on record their appreciation for the co-operation and assistance received from the bankers, Central and State Government authorities and members during the period under review.

By Order of the Board
For AANVIK MERCENTILE PRIVATE LIMITED

Place: Secunderabad
Date: 15.05.2018

DEVENDRA SURANA
CHAIRMAN

ANNEXURE TO THE DIRECTORS REPORT

Information under Section 134(3)(c) of the Companies Act, 2013 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988, and forming part of the Directors Report:

1. CONSERVATION OF ENERGY:

Energy conservation measures taken: The Company is very careful in using the power to reduce the cost of maintenance and conserve the resources.

Additional Investments and proposals, if any, being implemented for reduction of consumption of energy: Nil

Impact of the clause (1) and (2) above for reduction of energy consumption and consequent impact on the production of goods : N.A

2. TECHNOLOGY ABSORPTION:

FORM B:

(Disclosure of particulars with respect to technology absorption)

A. RESEARCH AND DEVELOPMENT (R&D)

Specific areas in which R& D carried out by the Company	:	Nil
Benefits derived as a result of the above R& D	:	Nil
Future plan of action	:	Nil
Expenditure on R & D	:	Nil

B. TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION

The Company is making all efforts for improving productivity, product quality and reducing consumption of scarce raw material and fuels.

3. FOREIGN EXCHANGE EARNINGS AND OUTGO:

Activities relating to exports, initiatives taken to increase exports, development of new export market for products and services and export plans:

Foreign Exchange inflow	:	NIL
Foreign Exchange Outgo	:	NIL

By Order of the Board
For AANVIK MERCENTILE PRIVATE LIMITED

Place: Secunderabad
Date: 15.05.2018

DEVENDRA SURANA
CHAIRMAN

EXTRACT OF ANNUAL RETURN

As on the financial year ended 31.03.2018

[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

FORM NO. MGT – 9

I. REGISTRATION AND OTHER DETAILS:

CIN	U27100MH2008PTC181786
Registration Date	30th April, 2008
Name of the Company	**AANVIK MERCANTILE PRIVATE LIMITED**
Category/Sub-Category of the Company	Company Limited by shares/ Indian Non-Govt Company (Section 8 of Companies Act, 2013)
Address of the Registered Office and contact details	5th Floor, Surya Towers, Sardar Patel Road, Secunderabad - 500003, Phone:040-44665700/750 , Email: cs@surana.com
Whether listed company	No
Name, address and contact details of Registrar and Transfer Agent, if any	NA

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the Business Activities contributing 10% or more of the total turnover of the Company shall be stated:

Name and Description of main Products / Services	NIC Code of the Product / Service	% to total turnover of the Company
-	-	-

III.PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATECOMPANIES:

Name and address of the Company	CIN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
Bhagyanagar India Limited	L27201TG1985PLC012449	Holding	100.00	2(87)

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):

Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2017)				No. of Shares held at the end of the year (31.03.2018)				%
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	Change during the year
A. PROMOTERS									
(1) Indian									
a) Individual / HUF	-	45000	45000	100.00	-	100	100	0.00	(-100.00)
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	-	-	-	-	-	14694900	14694900	100.00	+100.00
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-Total (A)(1):	-	**45000**	**45000**	**100.00**	-	**14695000**	**14695000**	**100.00**	-
(2) Foreign	**NIL**								
Sub-Total (A)(2):	**NIL**								

Total Shareholding of Promoters (A) = (A)(1)+(A)(2)		**45000**	**45000**	**100.00**	**-**	**14690000**	**14695000**	**100.00**	**-**
B. PUBLIC SHAREHOLDING	**NIL**								
Sub-Total B(2) :	**NIL**								
Total B=B(1)+B(2):	**NIL**								
C. SHARES HELD BY CUSTODIANS, AGAINST WHICH	**NIL**								
GRAND TOTAL (A+B+C) :	**-**	**45000**	**45000**	**100.00**	**-**	**14695000**	**14695000**	**100.00**	**-**

ii) Shareholding of Promoters:

Sl. No	**Shareholders Name**	**Shareholding at the beginning of the year**			**Shareholding at the end of the year**			**% change in shareholding during the year**
		No. of Shares	**% of total shares of the Company**	**% of Shares Pledged / encumbered to total shares**	**No. of Shares**	**% of total shares of the Company**	**% of Shares Pledged / encumbered to total shares**	
1.	Ashok Nawal	4400	9.78	-	-	-	-	-
2.	Anmol Nawal	4000	8.89	-	-	-	-	-
3.	Chirag Nawal	4400	9.78	-	-	-	-	-
4.	Sureshchandra Maheshwari	4000	8.89	-	-	-	-	-
5.	Shushila R Nawal	4000	8.89	-	-	-	-	-
6.	Nirmal G Maheshwari	4000	8.89	-	-	-	-	-
7.	Krishnapriya A Nawal	3000	6.67	-	-	-	-	-
8.	Vandana Nawal	4400	9.78	-	-	-	-	
9.	Sushila Nawal	4000	8.89	-	-	-	-	-
10.	Rajendra G Nawal	4400	9.78	-	-	-	-	-
11	Ashok Gordhandas Nawal - HUF	4400	9.78	-	-	-	-	-
12	Bhagyanagar India Limited	-			14694900	100.00	-	100.00
13	Devendra Surana	-	-	-	100	0.00	-	0.00

iii) Change in Promoters' Shareholding (Please specify, if there is no change):

Sl. No	**Name of the Share Holder**	**Shareholding at the beginning of the Year**		**Increase / Decrease in shareholding**			**Cumulative Shareholding during the Year**	
		No of Shares	**% of total shares of the company**	**Date**	**No. of shares**	**Reason**	**No of Shares**	**% of total shares of the company**
1	Ashok Nawal	4400	9.78	06.02.2018	(4400)	Transfer	-	-
2	Anmol Nawal	4000	8.89	06.02.2018	(4000)	Transfer	-	-
3	Chirag Nawal	4400	9.78	06.02.2018	(4400)	Transfer	-	-
4	Sureshchandra Maheshwari	4000	8.89	06.02.2018	(4000)	Transfer	-	-
5	Shushila R Nawal	4000	8.89	06.02.2018	(4000)	Transfer	-	-
6	Nirmal G Maheshwari	4000	8.89	06.02.2018	(4000)	Transfer	-	-

7	Krishnapriya A Nawal	3000	6.67	06.02.2018	(3000)	Transfer	-	-
8	Vandana Nawal	4400	9.78	06.02.2018	(4400)	Transfer	-	-
9	Sushila Nawal	4000	8.89	06.02.2018	(4000)	Transfer	-	-
10	Rajendra G Nawal	4400	9.78	06.02.2018	(4400)	Transfer	-	-
11	Ashok Gordhandas Nawal - HUF	4400	9.78	06.02.2018	(4400)	Transfer	-	-
12	Devendra Surana	-	-	06.02.2018	100	Transfer	100	0.00
	Bhagyanagar India Limited	-	-	06.02.2018	44900	Transfer	44900	0.30
13	Bhagyanagar India Limited	-	-	30.03.2018	14650000	Allotment	14650000	99.70

iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total sharesof the Company	No. of Shares	% of total sharesof the Company
	For Each of the Top 10 Shareholders	NIL			
	At the beginning of the year				
	Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/ bonus/sweat equity etc):				
	At the end of the year				

v) Shareholding of Directors and Key Managerial Personnel:

S. No.	Name of the Directors	Shareholding at the beginning of the year		Change in Shareholding		Shareholding at the end of the year	
		No. of Shares	% of total shares of the Company	Increase	Decrease	No. of Shares	% of total shares of the Company
1	Narender Surana	-	-	-	-	-	-
2.	Devendra Surana	-	-	100	-	100	-
3.	Mitali Surana	-	-	-	-	-	-
4.	Ashok Nawal (Resigned w.e.f 16.02.2018)	4400	9.78	-	(4400)	-	-
5.	Anmol Nawal (Resigned w.e.f 16.02.2018)	4000	8.89	-	(4000)	-	-
	Name of the Key Managerial Personnel	**Shareholding at the beginning of the year**		**Change in Shareholding**		**Shareholding at the end of the year**	
		No. of Shares	**% of total shares of the Company**	**Increase**	**Decrease**	**No. of Shares**	**% of total shares of the Company**
NIL							

V. INDEBTEDNESS:

Indebtedness of the Company including interest outstanding/accrued but not due for payment:

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness (in Rs.
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	13,40,15,000	NIL	13,40,15,000
ii) Interest due but not paid	-	-		-
iii) Interest accrued but not due	-	-		-
Total (i+ii+iii)	-	13,40,15,000		13,40,15,000
Change in Indebtedness during the financial year				
Addition	-	-		-
Reduction	-	(-13,19,67,577)		(-13,19,67,577)
Net Change	-	-		-
Indebtedness at the end of the financial year				
i) Principal Amount	-	20,47,423		20,47,423
ii) Interest due but not paid	-	-		-
iii) Interest accrued but not due	-	-		-
Total (i+ii+iii)	-	**20,47,423**	**NIL**	**20,47,423**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Narender Surana, Director	Devendra Surana, Director	Mitali Surana, Director	Ashok Nawal, Director	Anmol Nawal, Director	Total Amount
1	Gross Salary	-	-		-	-	-
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	-	-		-	-	-
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	-	-		-	-	-
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-	-		-	-	-
2	Stock Options	-	-		-	-	-
3	Sweat Equity	-	-		-	-	-
4	Commission - as % of profit - others, specify….	-	-		-	-	-
5	Others, please specify i. Deferred bonus (pertaining to the current Financial year payable in 2018) ii. Retirals	-	-		-	-	-
	Total (A)	-	-		-	-	-

B. REMUNERATION TO OTHER DIRECTORS: NIL

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD: NIL

Sl.No.	Particulars of Remuneration	Total Amount
1	Gross Salary	NIL
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	
2	Stock Options	
3	Sweat Equity	
4	Commission - as % of profit - Others, specify….	
5	Others, please specify - Retirals	
	Total (C)	

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty	NIL				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	NIL				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL				
Punishment					
Compounding					

By Order of the Board
For AANVIK MERCANTILE PRIVATE LIMITED

DEVENDRA SURANA
CHAIRMAN

Place: Secunderabad
Date: 15.05.2018

Luharuka & Associates
Chartered Accountants

Networking Member of:
Singhi & Affiliates
Kolkata, India

5-4-187/3&4, 2nd Floor, Soham Mansion, M. G. Road, Ranigunj, Secunderabad - 500 003.
☎ : 2754 2635, 2754 1015 Fax : 040-2754 1015 E-mail : luharukaca@gmail.com

INDEPENDENT AUDITOR'S REPORT

To the Members of M/s. Aanvik Mercantile Private Limited

Report on the Standalone Ind AS Financial Statements

1. We have audited the accompanying Standalone Ind AS financial statements of **M/s. Aanvik Mercantile Private Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss including the statement of Other Comprehensive Income, the Cash Flow Statement and the statement of change in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information

Management's Responsibility for the Financial Statements

2. 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the companies (Indian Accounting Standards) Rule, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 Standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these standalone Ind AS 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 of the standalone Ind AS financial statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as 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.

4. An audit involves performing procedures to obtain audit evidence about the amounts and 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 standalone Ind AS 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 standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies

LUHARUKA & ASSOCIATES CHARTERED ACCOUNTANTS SECUNDERABAD used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS 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 Ind AS financial statements.

Opinion

5. In our opinion and to the best of our information and according to the explanations given to us, the standalone Ind AS 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 March 31, 2018, its Loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

6. 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" statement on the matters Specified in paragraphs 3 and 4 of the Order.

7. As required by section 143(3) of the Act, we further 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 appears from our examination of those books;
   c. The Balance Sheet, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
   d. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 Companies (Indian Accounting Standards) Rules, 2015, as amended;
   e. on the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, 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 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; as such the question of commenting on any material foreseeable losses thereon does not arise.
      (iii) There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise.

LUHARUKA & ASSOCIATES CHARTERED ACCOUNTANTS FRN 01882S SECUNDERABAD

Other Matter

8. The comparative financial information of the Company for the year ended 31st March 2017 and the transition date opening balance sheet as at 1st April 2016 are based on previously issued statutory financial statements prepared in accordance with the companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose reports for the year ended 31st March 2017 and 31st March 2016, dated 26th August 2017 and 26th August 2016 respectively expressed an unmodified opinion on those statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Our opinion is not qualified in respect of these matters.

For Luharuka & Associates
Chartered Accountants
Firm Reg No:- 01882S

Rameshchand Jain
(Partner) Membership No.023019
Place: Secunderabad
Date: 15th May, 2018

Annexure A referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31st March, 2018, we report that

(i) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets ;

(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals. According to the information and explanation given us, no material discrepancies were noticed on such verification;

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

(ii) The company does not hold any physical inventory. Thus, paragraph 3(ii) of the Order is not applicable to the Company.

(iii) The company did not grant any loan to corporate covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').

(iv) 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 Act, with respect to the loans and investments made.

(v) The Company has not accepted any deposits from the public.

(vi) As informed to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act.

(vii) (a) According to the information and explanations given to us and based on the records of the company examined by us, the company is generally regular in depositing the undisputed statutory dues, including Provident Fund, , Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and other statutory dues, as applicable, with the appropriate authorities in India;

(b) According to the information and explanations given to us and based on the records of the company examined by us, there are no dues of Income Tax, Wealth Tax, Service Tax, Sales Tax, Customs Duty and Excise Duty which have not been deposited on account of any disputes;

(viii) According to the records of the company examined by us and as per the information and explanations given to us, the company has not defaulted in repayment of loans from any financial institution or banks and has not issued debentures.

(ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.

(x) According to the information and explanations given to us, no material 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 give to us and based on our examination of the records of the Company, the Company has not paid/provided for managerial remuneration in accordance with the provisions of section 197 read with Schedule V to the Act. Accordingly, paragraph 3(xi) of the Order is not applicable.

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(xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(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 sections 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 give to us and based on our examination of the records of the Company, the company has made private placement of equity shares during the year under review and the requirement of Section 42 of the Companies Act, 2013 have been complied and the amount raised have been used for the purposes for which the funds were raised.

(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. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934

For Luharuka & Associates
Chartered Accountants
Firm Reg No:- 01882S

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FRN-01882S
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Rameshchand Jain
(Partner) Membership No.023019
Place: Secunderabad
Date: 15th May, 2018

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 **M/s. Aanvik Mercantile Private Limited** ("the Company") as of 31 March 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Luharuka & Associates
Chartered Accountants
Firm Reg.No:- 01882S

Rameshchand Jain
(Partner) Membership No.023019
Place: Secunderabad
Date: 15th May, 2018

Significant accounting policies and key accounts, estimates and judgments:

1. **Corporate Information**

   Aanvik Mercantile Pvt Ltd ("the company") is a Company registered under the companies act, 1956. It was incorporated on 30-04-2008. The company was acquired by M/s Bhagyanagar India Limited on 6th February 2018. It proposes to engage in the manufacture of copper products. The company's CIN is U40106MH2008PTC181786. It is the subsidiary company of Bhagyanagar India Limited, which is listed on the stock exchange.

2. **Basis of preparation**

   The financial statements are separate financial statements prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time). For all periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

3. **Significant Accounting Policies:**

(a) Revenue Recognition

The company is yet to start its operations. Revenue is recognized and measured at the fair value of the consideration received or receivable, to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured

Interest Policy:

- **Interest Income:**

  Interest income, including income arising from other financial instruments, is recognised using the effective interest rate method.

(b) Property, Plant and Equipment

Property, plant and equipment are stated at cost of acquisition or construction net of accumulated depreciation and impairment loss (if any). All significant costs relating to the acquisition and installation of property, plant and equipment are capitalized. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in statement of profit and loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. The identified components are depreciated over their useful lives, the remaining asset is depreciated over the life of the principal asset.

Depreciation for identified components is computed on straight line method based on useful lives, determined based on internal technical evaluation. Freehold land is carried at cost.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(c) Investment Properties

Property that is held for long-term rental yields or for capital appreciation or both is classified as investment property. Investment Property is measured at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized. Investment Properties are depreciated using the straight-line method as per the provisions of Schedule II of the Companies Act, 2013 or based on useful life estimated on the technical assessment.

(d) Intangible Assets

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably.

(e) Depreciation and amortization:

Depreciation is provided on the straight-line method over the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013. Depreciation for assets purchased/sold during a period is proportionately charged.

(f) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is: -

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
- All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
- The Company classifies all other liabilities as non-current.

(g) Financial assets

Financial assets comprise of cash and cash equivalents.

Initial recognition:

All financial assets are recognized initially at fair value. Purchases or sales of financial asset that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the company commits to purchase or sell the assets.

Subsequent Measurement:

(i) Financial assets measured at amortized cost: Financial assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortized cost using effective interest rate (EIR) method. The EIR amortization is recognized as finance income in the Statement of Profit and Loss.

The Company while applying above criteria has classified the following at amortized cost:

a) Trade receivable
b) Cash and cash equivalents
c) Other Financial Asset

Impairment of Financial Assets:

Financial assets are tested for impairment based on the expected credit losses.

De-recognition of Financial Assets:

A financial asset is primarily de-recognized when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

(h) Impairment of Non-Financial Assets

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the company makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is the greater of fair value less costs to sell and value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case, the recoverable amount is determined for the cash generating unit to which the asset belongs.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

(i) Cash and Cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term investments with an original maturity of three months or less. Deposits with banks are subsequently measured at amortized cost and short term investments are measured at fair value through statement of profit & loss account.

(j) Financial liabilities

Initial recognition and measurement:

All financial liabilities are recognized initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted. These liabilities are classified as amortized cost. A preference share that provides for mandatory redemption by the issuer for a fixed or determinable amount at a fixed or determinable future date, or gives the holder the right to require the issuer to redeem the instrument at or after a particular date for a fixed or determinable amount, is a financial liability.

Subsequent measurement:

These liabilities include are borrowings and deposits. Subsequent to initial recognition, these liabilities are measured at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

De-recognition of financial liabilities:

A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

(k) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest, exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other costs that an entity incurs in connection with the borrowing of funds. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

(l) Employee Benefits

Employee benefits are charged to the Statement of Profit and Loss for the year.

Provident Fund

Retirement benefits in the form of Provident Fund are defined contribution scheme and such contributions are recognized, when the contributions to the respective funds are due. There are no other obligation other than the contribution payable to the respective funds.

Gratuity

The Company has not created any gratuity fund. However adequate provisions have been made in the accounts for gratuity liability. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting.

Compensated absences

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognized on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees.

Short-term employee benefits

Expense in respect of other short term benefits is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

(m) Income Taxes

Income tax expense is comprised of current and deferred taxes. Current and deferred tax is recognized in net income Current income taxes for the current period, including any adjustments to tax payable in respect of previous years, are recognized and measured at the amount expected to be recovered from or payable to the taxation authorities based on the tax rates that are enacted or substantively enacted by the end of the reporting period.

Deferred income tax

Deferred income tax assets and liabilities are recognized for temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax base using the tax rates that are expected to apply in the period in which the deferred tax asset or liability is expected to settle, based on the laws that have been enacted or substantively enacted by the end of reporting period. Deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable income nor the accounting income.

Minimum Alternative Tax (MAT)

MAT credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT Credit Entitlement. The company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that company will pay normal Income Tax during the specified period.

(n) Leases

As a lessee

Leases of property, plant and equipment where the company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a lessor

Lease income from operating leases where the company is a lessor is recognized in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

Lease-hold land:

Leasehold land that normally has a finite economic life and title which is not expected to pass to the lessee by the end of the lease term is treated as an operating lease. The payment made on entering into or acquiring a leasehold land is accounted for as leasehold land use rights (referred to as prepaid lease payments in Ind AS 17 "Leases") and is amortized over the lease term in accordance with the pattern of benefits provided.

(o) Provisions, contingent assets and contingent liabilities

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognized nor disclosed. However, when realization of income is virtually certain, related asset is recognized.

(p) Fair value measurement

In determining the fair value of its financial instruments, the Company uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date. Fair value hierarchy:

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1—Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2—Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3— Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

(q) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue. 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.

(r) Cash dividend to equity holders of the Company

The Company recognizes a liability to make cash distributions to equity holders of the Company when the distribution is authorized and the distribution is no longer at the discretion of the Company. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

4. **Significant accounting judgements, estimates and assumptions**

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgements, estimates and assumptions that affect the reported balances of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a) Judgements

In the process of applying the accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the financial statements:

i) Classification of property The Company determines whether a property is classified as investment property or inventory property:

Investment property comprises land and buildings (principally offices, commercial warehouse and retail property) that are not occupied substantially for use by, or in the operations of, the Company, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation. These buildings are substantially rented to tenants and not intended to be sold in the ordinary course of business.

b) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

i) Classification of leases

The Company enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.

ii) Useful lives of depreciable/amortizable assets

Management reviews its estimate of the useful lives of depreciable/amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software, customer relationships, IT equipment and other plant and equipment.

iii) Fair value measurements

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

c) Recent Accounting pronouncements

Standards issued but not yet effective

i. Ind AS 115-Revenue from Contracts with Customers-The Ministry of Corporate Affairs (MCA) on March 28, 2018 has notified new Indian Accounting Standard as mentioned above .The new standard will come to into force from accounting period commencing on or after April 01, 2018.It replaces existing recognition guidance, including Ind AS 18 Revenue and Ind AS 11 Construction contract. The standard is likely to affect the measurement, recognition and disclosure of revenue. The Company has evaluated and there is no material impact of this amendment on the Financial Statement of the Company except disclosure. The Company will adopt the Ind AS 115 on the required effective date.

ii. **Ind AS 21, The Effect of Changes in Foreign Exchange Rates** - The amendments to Ind AS 21 addresses issue to determine the date of transactions for the purpose of determining the exchange rate to be used on initial recognition of related assets, expenses or income when entity has received or paid advances in foreign currencies by incorporating the same in Appendix B to Ind AS 21. The amendment will come into force from accounting period commencing on or after April 01, 2018. The Company has evaluated this amendment and impact of this amendment will not be material.

The Company is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

Notes Forming part of the Financial Statements

19 Related party transactions

a. List of Related Parties:

i. Holding Company: Bhagyanagar India Limited

ii. Other Related Parties:

a) Narender Surana and Devendra Surana (Directors- Current Year)

b) S.R Textile Suppliers, Mohak Mercantile Pvt Ltd (previous year)
Sharayu Mercantile Pvt Ltd (Previous year)

b. Transactions with Related parties:

Nature of Transaction	Nature of Relation	Amount (Rupees)		
		2017-18	2016-17	2015-16
Transactions During the year:				
Proceeds From Borrowings	Holding Company	20,47,423/-	-NIL-	-NIL-
Repayment of Borrowings	Holding Company	-NIL-	-NIL-	-NIL-
	Other Related Parties	6,45,15,000/-	3,46,65,000/-	45,35.000/-

Balance at the end of the year:

Nature of Transaction	Nature of Relation	Amount (Rupees)		
		2017-18	2016-17	2015-16
Proceeds From Borrowings	Holding Company	20,47,423/-	-NIL-	-NIL-
	Other Related Parties	-	6,45,15,000/-	2,98,50,000/-

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

20(a) The Company has land admeasuring Ac 65.28 gts at Shabhashpally village Shivampet Mandal, Medak District, Telangana. The same was shown as inventory till last year. However, the Inventory (land) has been converted into capital asset on 01.04.2017 and the same was Revalued as per the Registered Valuer's report and the resultant difference has been accounted as Capital Reserve.

21 Earnings Per Share (EPS)

(Amount in Rupees)

Particulars	2017-18	2016-17
Net Profit after Tax	(15,42,088/-)	(82,37,713/-)
Net Profit after Tax available for equity share holders - For Basic and Diluted EPS	(15,42,088/-)	(82,37,713/-)
Weighted Average No. Of Equity Shares For Basic EPS (No.)	1,46,,95,000	45,000
Weighted Average No. Of Equity Shares For Diluted EPS (No.)	1,46,,95,000	45,000
Nominal Value of Equity Shares	10/-	10/-
Basic Earnings Per Equity Share	-	-
Diluted Earnings Per Equity Share	-	-

21. Contingent Liabilities and Commitments (to the extent not provided for)

Particulars	As at 31-03-2018	As at 31-03-2017
	Rupees	Rupees
Contingent Liabilities	-NIL-	-NIL-
Commitments: Estimated amount of contracts remaining to be executed for Project in Progress	-NIL-	-NIL-

22. Disclosure required under Section 186(4) of the Companies Act 2013

There are no loans, advances and guarantees given and securities provided to related parties.

23. Segment Reporting:

The Company is primarily proposes to engage in the manufacture of copper products which as per Indian Accounting Standard – 108 on 'Operating Segments' is considered to be the only reportable business segment. The Company is operating in India which is considered as a single geographical segment.

24. Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance and support Company's operations. The Company's principal financial assets include inventory, trade and other receivables, cash and cash equivalents and land advances and refundable deposits that derive directly from its operations. The Company is exposed to market risk, credit risk and liquidity risk.

A. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and other price risk, such as equity price risk and commodity/ real-estate risk. Financial instruments affected by market risk include loans and borrowings and refundable deposits

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Company does not enter into any interest rate swaps.

B. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including refundable joint development deposits, security deposits, loans to employees and other financial instruments.

Trade receivables

i. Receivables resulting from sale of properties: Customer credit risk is managed by requiring customers to pay advances before transfer of ownership, therefore, substantially eliminating the Company's credit risk in this respect.
ii. Receivables resulting from other than sale of properties: The firm has established credit limits for customers and monitors their balances on ongoing basis. Credit Appraisal is performed before leasing agreements are entered into with customers. The risk is also marginal due to customers placing significant amount of security deposits for lease and fit out rentals.

Financial Instrument and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's Finance department in accordance with the Company's policy. Investments of surplus funds are reviewed and approved by the Company's Board of Directors on an annual basis The Company's maximum exposure to credit risk for the components of the statement of financial position at 31 March 2018 and 2017 is the carrying amounts.

C. Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank deposits and loans.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

Rupees in Lakhs

Year Ended	On Demand	3 to 12 Months	1 to 5 Years	>5 Years	Total
31-Mar-18					
Borrowings	-	-	-	20.47	20.47
	-	-	-	**20.47**	**20.47**
31-Mar-17					
Borrowings	-	1340.15	-	-	1340.15
	-	**1340.15**	-	-	**1340.15**
01-Apr-16					
Borrowings	-	-	1142.50		1142.50
	-	-	1142.50		1142.50

CHARTERED ACCOUNTANTS SECUNDERABAD

25. Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximize the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

(Rupees in Lakhs)

Particulars	31 Mar 2018	31 Mar 2017	31 Mar 2016
Borrowings (Long term and Short term including Current maturity of Long term Borrowings) **Note 13**	20.47	1340.15	1142.50
Other Payable (current and non-current, excluding current maturity of long term borrowings) **Note 14 & 15**	0.53	72.91	186.54
Less Cash and Cash Equivalents	1.10	1.81	1.06
Net Debt	19.90	1411.25	1327.98
Equity Share capital	1469.50	4.50	4.50
Other Equity	(14.79)	(486.01)	(403.63)
Total Capital	1454.71	(481.51)	(399.13)
Capital and Net debt	1474.61	929.74	928.85
Gearing ratio (in %)	1.35	151.79	142.97

26. First-time adoption of Ind AS

These financial statements, for the year ended March 31, 2018, are the first the Company has prepared in accordance with Ind AS. For periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on March 31, 2018, together with the comparative period data as at and for the year ended March 31, 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at April 1, 2016, the Company's date of transition to Ind AS.

Exemptions applied

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

(a) Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for investment property covered by Ind AS 40 Investment Properties. Accordingly, the Company has elected to measure all of its property, plant and equipment and investment property at their previous GAAP carrying value.

(b) Ind AS 27 requires investments in subsidiaries to be recorded at cost or in accordance with Ind AS 109 in its separate financial statements. However Ind AS 101 provides an option in case the Company decides to measure such investment at cost (determined in accordance with Ind AS 27) or deemed cost (fair value or previous GAAP carrying amount) at that date. The Company can avail the above exemption and recognize the investment in firms at the previous GAAP carrying amount at the date of transition to Ind AS.

The Company has also prepared a reconciliation of equity as at March 31, 2017 and April 1, 2016 under the Previous GAAP with the equity as reported in these financial statements under Ind AS, that reflect the impact of Ind AS on the components of statement of balance sheet which is presented below:

Figures in Rupees

Particulars	*31-Mar-17*	01-Apr-16
Equity under previous GAAP	**(4,81,51,414)**	**(3,99,13,701)**
Adjustments (net of tax):	-	
Other adjustments	-	
Equity under Ind AS	**(4,81,51,414)**	**(3,99,13,701)**

The Company has prepared a reconciliation of the net profit for the previous year ended March 31, 2017 under the Previous GAAP with the total comprehensive income as reported in these financial statements under Ind AS, that reflect the impact of Ind AS on the components of statement of profit and loss which is presented below:

Figures in Rupees

Particulars	***31-Mar-17***
Net profit as per previous GAAP	(82,37,713)
Net profit as per Ind AS (A)	**(82,37,713)**
Other comprehensive income:	-
Total (B)	-
Total comprehensive income (A+B)	**(82,37,713)**

Notes to reconciliations between previous GAAP and Ind AS

Other comprehensive income

Under Indian GAAP, the Company has not presented other comprehensive income (OCI) separately. Hence, it has reconciled Indian GAAP profit/loss to profit/loss as per Ind AS. Further, Indian GAAP profit/loss is reconciled to total comprehensive income as per Ind AS.

27. Previous year's figures have been regrouped and rearranged, wherever found necessary.

As per out report of even date attached
For Luharuka & Associates
Chartered Accountants
Firm Regn No: 01882S

For and on behalf of the Board

RameshChand Jain
Partner
M.No: 023019

Narender Surana
Director
DIN: 00075086

Devendra Surana
Director
DIN: 00077296

AANVIK MERCANTILE PRIVATE LIMITED

BALANCE SHEET AS AT 31ST MARCH,2018

CIN: U27100MH2008PTC181786

	ASSETS	Note	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
I	**NON- CURRENT ASSETS**				
	a. Property, Plant and equipment	5	139,857,556	-	-
	b Capital work-in-progress	6	2,452,605	-	-
	c Investments	7	100,000	100,000	100,000
	CURRENT ASSETS				
	a. Inventory	8	-	92,008,250	92,008,250
	b Cash and Cash Equivalents	9	109,870	181,113	106,391
	c Loans & advances	10	4,716,042	780,000	705,000
	d Other Current Asset	11	334,705	84,822	71,597
	TOTAL ASSETS		**147,570,778**	**93,154,185**	**92,991,238**
II	**EQUITY AND LIABILITIES**				
	EQUITY				
	a. Equity Share Capital	12	146,950,000	450,000	450,000
	b. Other Equity	13	(1,479,207)	(48,601,414)	(40,363,701)
	LIABILITIES				
	NON-CURRENT LIABILITIES				
	Financial Liabilities				
	a. Borrowings	14	2,047,423	134,015,000	114,250,000
	CURRENT LIABILITIES				
	a Borrowings	15			14,907,705
	b Other Current Liabilities	16	52,562	7,290,599	3,747,234
	TOTAL EQUITY AND LIABILIITES		**147,570,778**	**93,154,185**	**92,991,238**

Signficant accounting Policies and Key accounting estimates and Judgements. (1 to 4)

See accompanying notes form an Integral part of the financial statements. (19 to 27)

For and on behalf of the Board

As per our report of even date attached
For LUHARUKA & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Reg.No.01882S

LUHARUKA & ASSOCIATES CHARTERED ACCOUNTANTS FRN-01882S SECUNDERABAD

Rameshchand Jain
Partner
M. No. 023019

Narender Surana
Director
DIN : 00075086

Devendra Surana
Director
DIN : 00077296

Place: Secunderabad,
Date : 15/05/2018

AANVIK MERCANTILE PRIVATE LIMITED

STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2018

		Note No.	For the Year 2017-18	For the Year 2016-17
I.	**REVENUE FROM OPERATIONS**		-	-
II.	**OTHER INCOME**		15,000	105,072
III.	**TOTAL REVENUE**		**15,000**	**105,072**
IV.	**EXPENSES**			
	Finance costs	17	2,799	7,822,574
	Depreciation		1,505,831	-
	Other expenses	18	48,458	520,211
V.	**TOTAL EXPENSES**		**1,557,088**	**8,342,785**
VI.	**PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX**		(1,542,088)	(8,237,713)
VII	**PROFIT BEFORE EXTRAORDINARY ITEMS AND TAX**		(1,542,088)	(8,237,713)
VIII	**PROFIT BEFORE TAX**		**(1,542,088)**	**(8,237,713)**
IX.	**TAX EXPENSE:**			
	1. Current tax		-	-
X	**PROFIT AFTER TAX**		**(1,542,088)**	**(8,237,713)**
	EPS-BASIC & DILUTED		-	-

Signficant accounting Policies and Key accounting estimates and Judgements.(1 to 4)
See accompanying notes form an Integral part of the financial statements. (19 to 27)

As per our report of even date attached
For LUHARUKA & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Reg No.01882S

LUHARUKA & ASSOCIATES CHARTERED ACCOUNTANTS FRN-01882S SECUNDERABAD

Rameshchand Jain
Partner
M. No. 023019

For and on behalf of the Board

Narender Surana
Director
DIN: 00075086

Devendra Surana
Director
DIN: 00077296

Place: Secunderabad,
Date : 15/05/2018

AANVIK MERCANTILE PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

	PARTICULARS	For the Year 2017-18	For the Year 2016-17
A	**Cash flow from Operating Activties**		
	Net profit before tax as per annexed Profit and loss account	(1,542,088)	(8,237,713)
	Add: Adjustments for:		
	Depreciation & Amortisation	1,505,830	-
	Operating profit before working Capital Changes	**(36,258)**	**(8,237,713)**
	Loans and Advances & and current assets	(4,185,925)	(88,225)
	Trade Payables and Other Current Liabilities	(7,238,037)	(11,364,340)
	Cash generated from Operations	(11,460,220)	(19,690,278)
	Income Tax Paid (including Prior Period)	-	-
	Net cash (used in)/from Operating Activities(A)	**(11,460,220)**	**(19,690,278)**
B	**Cash flow from Investing Activities**		
	Purchase of Fixed Assets & Other Capital Expenditure	(3,143,446)	-
	Net Cash (used in)/from Investing Activities (B)	**(3,143,446)**	**-**
C	**Cash flow from Financing Activities**		
	Increase (Decrease) in Unsecured Loans	(131,967,577)	19,765,000
	Proceeds From Issue of Shares	146,500,000	-
	Net Cash (used in)/from Financing Activities (C)	**14,532,423**	**19,765,000**
	Net Increase / Decrease in cash and Cash Equivalents (A+B+C)	**(71,243)**	**74,722**
	Cash and Cash Equivalents Opening Balance	181,113	106,391
	Cash and Cash Equivalents Closing Balance	109,870	181,113
	Change in Cash and Cash Equivalents	**(71,243)**	**74,722**

As per our report of even date attached
For LUHARUKA & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Reg No.01882S

LUHARUKA & ASSOCIATES CHARTERED ACCOUNTANTS FRN-01882S SECUNDERABAD

Rameshchand Jain
Partner
M. No. 023019

For and on behalf of the Board

Narender Surana
Director
DIN: 00075086

Devendra Surana
Director
DIN: 00077296

Place: Secunderabad,
Date : 15/05/2018

Statement of Changes in Equity for the Year ended 31st March 2018

A. Equity Share capital

Particulars	No of shares	In Rupees
Balance as at 1 April 2016	**45,000**	**450,000**
Changes in equity share capital during 2016-17	-	-
Balance as at 31 March 2017	**45,000**	**450,000**
Balance as at 1 April 2017	**45,000**	**450,000**
Changes in equity share capital during 2017-18	14,650,000	146,500,000
Balance as at 31 March 2018	**14,695,000**	**146,950,000**

B. Other equity *(amount in Rupees)*

	Reserves and Surplus		Total
	Retained Earnings	Capital Reserve	
Balance at 1 April 2016 (A)	**(40,363,701)**	-	**(40,363,701)**
Profit for the year	(8,237,713)	-	**(8,237,713)**
Other Comprehensive Income (net of tax)	-	-	-
Total Comprehensive Income for the year 2016-17 (B)	**(8,237,713)**	-	**(8,237,713)**
Transfer In/Out General Reserve	-	-	-
Dividends	-	-	-
Tax on dividends	-	-	-
			-
Balance at 31 March 2017 C= (A+B)	**(48,601,414)**	-	**(48,601,414)**
Balance at 1 April 2017 (D)	**(48,601,414)**	-	**(48,601,414)**
Profit for the year	(1,542,088)		**(1,542,088)**
Other Comprehensive Income (net of tax)	-		-
Reserve created during the year		48,664,295	**48,664,295**
Total Comprehensive Income for the year 2017-18 (E)	**(1,542,088)**	-	**(1,542,088)**
Transfer In/Out General Reserve	-	-	-
Dividends	-	-	-
Tax on dividends			-
Balance at 31 March 2018 F =(D+E)	**(50,143,502)**	**48,664,295**	**(1,479,207)**

See 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

For Luharuka & Associates
Chartered Accountants
Firm Reg No - 001882S

Rameshchand Jain
Partner
M. No. 023019

LUHARUKA & ASSOCIATES CHARTERED ACCOUNTANTS SECUNDERABAD

NARENDER SURANA
Director
DIN : 00075086

Devendra Surana
Director
DIN : 00077296

Place: Secunderabad
Date : 15/05/2018

5 **Property, Plant and Equipment**

Following are the changes in the carrying value of Property, Plant and Equipment for the Year Ended 31st March 2018

(amount in Rupees)

Particulars	Free hold Land	Factory Building	Plantation	Vehicles	Total
Gross carrying Value as of April 01, 2017	-	-	-	-	-
Addtions	120,231,000	14,681,545	5,760,000	690,842	141,363,387
Deletions	-	-	-	-	-
Gross carrying Value as of March 31, 2018	**120,231,000**	**14,681,545**	**5,760,000**	**690,842**	**141,363,387**
Accumulated depreciation as of April 01, 2017	-	-	-	-	-
Deprectaion	-	929,831	576,000	-	1,505,831
Accumulated depreciation on deletions	-	-	-	-	-
Accumulated depreciation as of March 31, 2018	-	929,831	576,000	-	1,505,831
Carrying Value as of March 31, 2018	**120,231,000**	**13,751,714**	**5,184,000**	**690,842**	**139,857,556**

Particulars	Free hold Land	Factory Building	Plantation	Vehicles	Total
Gross carrying Value as of April 01, 2016	-	-	-	-	-
Addtions	-	-	-	-	-
Deletions	-		-	-	-
Gross carrying Value as of March 31, 2017	-	-	-	-	-
Accumulated depreciation as of April 01, 2016	-		-	-	-
Deprectaion	-	-	-	-	-
Accumulated depreciation on deletions	-		-	-	-
Accumulated depreciation as of March 31, 2017	-	-	-	-	-
Carrying Value as of March 31, 2017	-	-	-	-	-
Carrying Value as of April 01, 2016	-	-	-	-	-

LUHARUKA & ASSOCIATES CHARTERED ACCOUNTANTS SECUNDERABAD

12 **Share Capital**

Share Capital	As at 31st March 2018		As at 31st March 2017		As at 1st April 2016	
	Number	Rupees	Number	Rupees	Number	Rupees
Authorised Equity Shares of ` 10 each	20,000,000	200,000,000	1,000,000	10,000,000	1,000,000	10,000,000
Issued Equity Shares of ` 10 each	14,695,000	146,950,000	45,000	450,000	45,000	450,000
Subscribed & Paid up Equity Shares of ` 10 each fully paid	14,695,000	146,950,000	45,000	450,000	45,000	450,000
Total	14,695,000	146,950,000	45,000	450,000	45,000	450,000

a) Term/rights attached to Equity Shares

The company has only one class of issued equity shares having a par value of Rs 10/- per share. Each shareholder is entitled to one vote per share. one vote per share. In the event of liquidation of the company. The holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all prefential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

b) Reconciliation of Shares Outstanding:

Particulars	As at 31st March 2018		As at 31st March 2017		As at 1st April 2016	
	Number	Rupees	Number	Rupees	Number	Rupees
Shares outstanding at the beginning of the year	45,000	450,000	45,000	450,000	45,000	450,000
Shares Issued during the year	14,650,000	146,500,000	-	-	-	-
Shares bought back during the year	-	-	-	-	-	-
Shares outstanding at the end of the year	14,695,000	146,950,000	45,000	450,000	45,000	450,000

c) Particulars of share holders holding morethan 5% of issued share capital.

Name of Shareholder	As at 31st March 2018		As at 31st March 2017		As at 1st April 2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
BHAGYANAGAR INDIA LIMITED	14,695,000	100.00%	-	-	-	-
Sureshchandra G. Maheswari			4000	8.89%	4000	8.89%
Sushila S Nawal			4000	8.89%	4000	8.89%
Ashok G Nawal			4400	9.78%	4400	9.78%
Rajendra G Nawal			4400	9.78%	4400	9.78%
Nirmal G Maheswari			4000	8.89%	4000	8.89%
Vandana A Nawal			4400	9.78%	4400	9.78%
Chirag A Nawal			4400	9.78%	4400	9.78%
Krishnapriya Nawal			3000	6.67%	3000	6.67%
Amol R Nawal			4000	8.89%	4000	8.89%
Ashok G Nawal HUF			4400	9.78%	4400	9.78%
Sushila R Nawal			4000	8.89%	4000	8.89%
Total			45,000	100.00%	45,000	100.00%

13 **B. Other equity**

(amount in Rupees)

	Reserves and Surplus		Total
	Retained Earnings	Capital reserve	
Balance at 1 April 2016 (A)	**(40,363,701)**	-	**(40,363,701)**
Profit for the year	(8,237,713)	-	(8,237,713)
Other Comprehensive Income (net of tax)	-	-	-
Total Comprehensive Income for the year 2016-17 (B)	(8,237,713)	-	(8,237,713)
Balance at 31 March 2017 C= (A+B)	**(48,601,414)**	-	**(48,601,414)**
Balance at 1 April 2017 (D)	**(48,601,414)**	-	**(48,601,414)**
Profit for the year	(1,542,088)	-	(1,542,088)
Other Comprehensive Income (net of tax)	-	-	-
Reserve created during the year		48,664,295	48,664,295
Total Comprehensive Income for the year 2017-18 (E)	(1,542,088)	-	(1,542,088)
Balance at 31 March 2018 F =(D+E)	**(50,143,502)**	**48,664,295**	**(1,479,207)**

Capital Reserve

Capital Resere is created from specific transactions of Capital in Nature and the same is not available for distribution to the sharesholders.

Notes to Balance Sheet

6. Capital Work- in- Progress

Partciulars		As at 31.03.2018 Rs.	As at 31.03.2017 Rs.	As at 01.04.2016 Rs.
Civil, Errection work and others		2,452,605	-	-
TOTAL		**2,452,605**	**-**	**-**

7. Non current Investments

Particulars		As at 31.03.2018 Rs.	As at 31.03.2017 Rs.	As at 01.04.2016 Rs.
Investment (At Cost)- Non- Trade (Investment in equity instruments in other entities- Unquoted 1000 shares of Rs 100/- each in Excellent Co-operative Bank Ltd)		100,000	100,000	100,000
TOTAL		**100,000**	**100,000**	**100,000**

8 Inventory

Particulars		As at 31.03.2018 Rs.	As at 31.03.2017 Rs.	As at 01.04.2016 Rs.
Stock-in-Trade (Land)		-	92,008,250	92,008,250
TOTAL		**-**	**92,008,250**	**92,008,250**

LUHARUKA & ASSOCIATES CHARTERED ACCOUNTANTS

9. Cash and Bank Balances

Particulars		As at 31.03.2018 Rs.	As at 31.03.2017 Rs.	As at 01.04.2016 Rs.
(a) Cash and Cash Equivalents				
Current Account		106,248	103,333	26,061
Cash on hand		3,622	77,780	80,330
Sub-Total (A)		**109,870**	**181,113**	**106,391**
TOTAL		**109,870**	**181,113**	**106,391**

10. Loans and Advances

Particulars		As at 31.03.2018 Rs.	As at 31.03.2017 Rs.	As at 01.04.2016 Rs.
a) Adanvces to suppliers				
- Less than one year		4,716,042	-	
- Morethan one year		-	-	
b) Loan to associate company		-	780,000	
c) Other advance				705,000
TOTAL		**4,716,042**	**780,000**	**705,000**

11. Other Current Asset

Particulars		As at 31.03.2018 Rs.	As at 31.03.2017 Rs.	As at 01.04.2016 Rs.
(a) Advance tax & TDS (Net of Proivisions)		8,482	8,482	7160
(b) Interest accrued and due		-	76,340	64437
(c) Balance with Satutory authorities		326,223	-	-
TOTAL		**334,705**	**84,822**	**71,597**

14 Borrowings

Particulars		As at 31.03.2018 Rs.	As at 31.03.2017 Rs.	As at 01.04.2016 Rs.
Loan from holding Company	9 (a)	2,047,423	-	
Loan from body corporate & others		-	134,015,000	114,250,000
TOTAL		2,047,423	134,015,000	114,250,000

Notes: 9(a)

Loan from Holding Company **Name of the company**	Balance as on 31.03.2018	Balance as on 31.03.2017	Balance as on 01.04.2016
Bhagyanagar India Limited	2,047,423	-	
Total	**2,047,423**	**-**	**-**

15. Short term borrowings

Particulars		As at 31.03.2018 Rs.	As at 31.03.2017 Rs.	As at 01.04.2016 Rs.
Secured (a) Cash Credit	10 (a)	-	-	14,907,705
TOTAL		-	-	14,907,705

16. Other Current Liabilities

Particulars		As at 31.03.2018 Rs.	As at 31.03.2017 Rs.	As at 01.04.2016 Rs.
Other Liabilities		27,562	6,566,741	3,377,584
Statutory Liabilities		25,000	723,858	369,650
TOTAL		52,562	7,290,599	3,747,234

17. Finance Cost

Particulars		For the year 2017-18 Rs.	for the year 2016-17 Rs.
Bank Interest		-	582,945
Other Interest		-	7,238,579
Other Finance cost		2,800	1,050
TOTAL		**2,800**	**7,822,574**

18. Other Expenses

Particulars		For the year 2017-18	for the year 2016-17
Audit fees		32,700	17,250
Salaries		-	424,975
Printing & stationery		1,708	65
Postage & courier		2,550	85
Rates & taxes		2,500	2,500
Professional & consultancy charges		-	72,936
Miscellaneous exp		9,000	2,400
TOTAL		**48,458**	**520,211**

As per our report of even date attached
For LUHARUKA & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Reg No.01882S

Rameshchand Jain
Partner
M. No. 023019

For and on behalf of the Board

Narender Surana
Director
DIN: 00075086

Devendra Surana
Director
DIN: 00077296

Place: Secunderabad,
Date : 15/05/2018