

Pradeep Metals Limited Inc, USA
Standalone Unaudited Provisional Balance Sheet as at 31st March, 2017

(Amount in USD)

Particulars	Note No.	As at 31st March 2017	As at 31st March 2016
EQUITY AND LIABILITIES			
Shareholder's funds			
Share capital	2	1,358,000.00	858,000.00
Reserves and surplus	3	(271,666.33)	(221,789.76)
		1,086,333.67	636,210.24
Non-current liabilities			
Long term borrowings	4	1,400,000.00	1,800,000.00
		1,400,000.00	1,800,000.00
Current liabilities			
Trade payable	5	1,325,661.07	779,491.20
Other current liabilities	6	781,162.40	695,388.58
Short-term provisions	7	-	-
		2,106,823.47	1,474,879.78
Total		4,593,157.14	3,911,090.02
ASSETS			
Non-current assets			
Fixed Assets			
Tangible Assets		-	-
Intangible Assets		-	2,455,595.00
Capital Work-in-Progress		-	-
		-	2,455,595.00
Non-current investments	8	3,079,673.00	781,556.00
Long term loans and advances	9	26,471.00	50,000.00
		3,106,144.00	831,556.00
Current assets			
Inventories	10	705,554.05	367,425.57
Trade receivables	11	339,886.25	188,429.39
Cash and bank balances	12	172,543.16	52,031.53
Short-term loans and advances	13	269,029.68	16,052.53
		1,487,013.14	623,939.02
Total		4,593,157.14	3,911,090.02
Significant accounting policies	1	-	
Other notes	2 to 24		

Notes referred to herein above form an integral part of financial statements.

**For and on behalf of the Board of Directors of
Pradeep Metals Limited Inc, USA**

sd-

Abhinav Goyal
Director

Place :

Date:

Pradeep Metals Limited Inc, USA

Standalone Unaudited Provisional Statement of Profit and Loss for the Year ended 31st March, 2017

(Amount in USD)

Particulars	Note No.	Year ended 31st March 2017	Year ended 31st March 2016
Revenue			
Revenue from operations	14	1,372,074.42	1,583,530.53
Other income	15	3,294.30	295.26
Total revenue		1,375,368.72	1,583,825.79
Expenses			
Purchase of stock in trade		1,394,317.32	1,050,426.47
Decrease/(Increase) in stock in trade	16	(338,128.48)	463,345.34
Finance costs	17	162,737.22	174,562.50
Administrative, selling and distribution expense	18	157,165.75	193,382.50
Total expenses		1,376,091.81	1,881,716.81
Profit before prior period items and taxes		(723.09)	(297,891.02)
Prior period expense	18.1	49,153.48	6,761.00
Profit before taxes		(49,876.57)	(304,652.02)
Tax expense:			
Current tax			
- Current tax		-	-
- Short/(excess) provision for income tax for earlier years		-	(14,451.00)
Deferred tax charge / (Credit)		-	(14,451.00)
Net profit / (loss) for the year		(49,876.57)	(290,201.02)
Significant accounting policies	1		
Other notes	2 to 24		

Notes referred to herein above form an integral part of financial statements.

**For and on behalf of the Board of Directors of
Pradeep Metals Limited Inc, USA**

sd-
Abhinav Goyal
Director

Place :
Date:

Pradeep Metals Limited Inc, USA
Standalone Unaudited Provisional Cash Flow Statement for the Year Ended 31st March 2017

(Amount in USD)

Particulars	Note	2016 - 2017		2015 - 2016	
		USD	USD	USD	USD
A. CASH FLOW FROM OPERATING ACTIVITIES					
Net profit/(loss) before taxation and prior period item			(723)		(297,891)
Adjustments for:					
Provision for doubtful debts		-		-	
Interest expenses		162,737		174,563	
Interest income		-		-	
			162,737		174,563
Operating profit before changes in assets and liabilities			162,014		(123,329)
Movements in working capital : [Current and Non-current]					
(Increase) / decrease in loans & advances and other current assets		(252,978)		(16,053)	
(Increase) / decrease in inventories		(338,128)		463,345	
(Increase) / decrease in trade receivable		(151,457)		281,567	
Increase / (decrease) in trade payable, other current liabilities and provisions		370,393	(372,170)	(2,682,600)	(1,953,741)
			(210,156)		(2,077,069)
Less: Prior period items			-		-
			(210,156)		-
Adjustment for:					
Direct taxes paid [including tax deducted at source]			23,529		(50,000)
Net cash generated/ (used in) from operating activities...(A)			(186,627)		(2,127,069)
B. CASH FLOW FROM INVESTING ACTIVITIES					
Investments made			(2,298,117)		(153,000)
Sale of Intangible assets			2,455,595		-
Net cash generated / (used in) from investing activities...(B)			157,478		(153,000)
C. CASH FLOW FROM FINANCING ACTIVITIES					
Proceeds from issue of share capital		500,000		428,000	
Proceeds from long term borrowing		(200,000)		2,000,000	
Interest paid on loans		(150,340)		(112,778)	
Net cash generated / (used) from financing activities...(C)			149,660		2,315,222
Net Increase in cash and cash equivalents...(A + B + C)			120,511		35,153
Cash and cash equivalents at the beginning of the year	12	52,032		16,879	
Cash and cash equivalents at the end of the year		172,543		52,032	
			120,512		35,153
Significant accounting policies	1				
Other notes	2 to 24				

Notes referred to herein above form an integral part of financial statements.

For and on behalf of the Board of Directors of
Pradeep Metals Limited Inc, USA

sd-
Abhinav Goyal
Director

Place :
Date:

(Amount in USD)

2	Issued, subscribed and paid-up capital	As at 31st March 2017	As at 31st March 2016
	Equity shares		
	200 (Previous year :200) Equity Shares of USD 25 each	1,358,000	858,000
	Total	1,358,000	858,000

2.1	Reconciliation of number of shares outstanding	As at 31st March 2017	As at 31st March 2016
	Shares outstanding at beginning of the year	200	200
	Shares issued during the year	-	-
	Shares bought back during the year	-	-
	Shares outstanding at the end of the year	200	200

(Amount in USD)

3	Reserve and surplus	As at 31st March 2017	As at 31st March 2016
	Statement of profit and loss		
	Opening Balance	-221789.76	68,411
	Add: Transferred from statement of profit and loss	(49,876.57)	(290,201)
	Total	(271,666)	(221,790)

(Amount in USD)

4	Long term borrowings	As at 31st March 2017	As at 31st March 2016
	Unsecured		
	Term loan		
	From bank		
	- Term loan [Refer note 4.1(i) and 4.2]	1,400,000	1,800,000
	Total	1,400,000	1,800,000

4.1 Details of security provided

Above loan is secured by corporate guarantee issued by the holding company, i.e. Pradeep Metals Limited, India & Personal Guarantee issued by Mr Pradeep Goyal.

4.2 Terms of repayment

(Amount in USD)

Particulars	Amount	Terms of repayment
Term loan from Bank	1,800,000 (2,000,000)	Repayable in 20 equal quarterly installments starting from October 2016

(Amount in USD)

5	Trade payable	As at 31st March 2017	As at 31st March 2016
	Trade payable	1,325,661	779,491
	Total	1,325,661	779,491

(Amount in USD)

6	Other current liabilities	As at 31st March 2017	As at 31st March 2016
	Current maturity of long term borrowing	400,000	200,000
	Interest accrued but not due on long term borrowings	45,264	45,719
	Interest payable to others	28,917	16,065
	Amount payable for acquisition of subsidiary	270,922	428,400
	Accrued expenses	36,059	5,205
	Total	781,162	695,389

(Amount in USD)

7	Short term provisions	As at 31st March 2017	As at 31st March 2016
	Provision for income tax [Net]	-	-
	Total	-	-

(Amount in USD)

8	Non-current investments (At cost, unless otherwise specified)	As at 31st March 2017	As at 31st March 2016
	Long term investment		
	Unquoted investment		
	(a) Trade investment		
	In subsidiary		
	Dimensional Machine Works	3,079,673	781,556
	Total	3,079,673	781,556

8.1 Other disclosures of investment

(Amount in USD)

Aggregate cost of unquoted investment	3,079,673	781,556
Market value of unquoted investment	3,079,673	781,556
Provision for diminution in value of investment	-	-

(Amount in USD)

9	Long term loans and advances (Unsecured, considered good unless otherwise stated)	As at 31st March 2017	As at 31st March 2016
	Income tax refund receivable	26,471	50,000
	Total	26,471	50,000

(Amount in USD)

10	Inventories	As at 31st March 2017	As at 31st March 2016
	Stock in trade	705,554	367,426
	Total	705,554	367,426

(Amount in USD)

11	Trade receivables	As at 31st March 2017	As at 31st March 2016
	(from the date they are due for payment)		
	Debt outstanding for a period exceeding six months		
	Considered good	226	-
	Considered doubtful	-	-
	Others debts	339,660	188,429
		339,886	188,429
	Less: Provision for doubtful debts	-	-
	Total	339,886	188,429

(Amount in USD)

12	Cash and bank balances	As at 31st March 2017	As at 31st March 2016
	Cash and cash equivalent		
	Cash in hand	-	-
	Balance with bank		
	- In current accounts	172,543	52,032
	Total	172,543	52,032

(Amount in USD)

13	Short-term loans and advances (Unsecured, considered good unless otherwise stated)	As at 31st March 2017	As at 31st March 2016
	Advances recoverable in cash or in kind or for value to be received	-	-
	Other loans and advances		
	- Advance to suppliers	-	-
	- Advance recoverable from subsidiary	269,030	100
	- Balance with tax authorities	-	15,953
	Total	269,030	16,053

Standalone notes on unaudited provisional financial statements for the Year ended 31st Mar, 2017

		(Amount in US\$)	
14	Revenue from operations	2016-17	2015-16
	Sale of goods	1,372,074	1,532,289
	Other operating revenue		
	Custom duty refund	-	51,242
	Total	1,372,074	1,583,531

		(Amount in USD)	
15	Other income	2016-17	2015-16
	Miscellaneous income	3,294	295
	Total	3,294	295

		(Amount in US\$)	
16	Decrease/(Increase) in stock in trade	2016-17	2015-16
	Opening stock	367,426	830,771
	Less : Closing Stock	705,554	367,426
	Net (increase)/ decrease in stock in trade	(338,128)	463,345

17	Finance cost	(Amount in ₹)	
		2016-17	2015-16
	Interest on loans	109,070	95,565
	Other interest costs	12,852	16,065
	Corporate guarantee charges	40,000	39,145
	Loan processing & bank charges	815	23,788
	Total	162,737	174,563

Pradeep Metals Limited Inc, USA**Standalone notes on unaudited provisional financial statements for the Year ended 31st Mar, 2017**

(Amount in USD)

18 Administrative, selling and distribution expense	2016-17	2015-16
Warehousing Charges	88,809	145,767
Rates and taxes	350	2,868
Professional fees	31,620	18,399
Communication expenses	3,410	3,349
Travelling and conveyance expenses	8,816	16,500
Miscellaneous expenses	-	1,001
Membership & Subscription Fees	-	5,500
Transport Charges	12,788	-
Legal Fees	-	-
Printing and Stationery	1,165	-
Handling charges	10,208	-
Total	157,166	193,383

18.1 Prior period expense

(Amount in USD)

Particulars	2016-17	2015-16
Rates & taxes	49,153	6,761
Net prior period expense	49,153	6,761

19 Capital and other commitments

Capital Commitment (net of advance paid) - USD Nil (Previous Year: USD Nil).

Pradeep Metals Limited Inc, USA**Standalone notes on unaudited provisional financial statements for the Year ended 31st Mar, 2017****20 Related party disclosure****20.1 Names of related parties (As identified by Management)**

Description of relationship	Name of the Related Party
Holding company	Pradeep Metals Limited, India
Subsidiary	Dimensional Machine Works, LLC
Key Managerial Personnel	Abhinav Goyal, Director

20.2 Transactions with related parties during the year

(Amount in USD)

Name of the party	Nature of the transaction	2016-17	2015-16
Pradeep Metals Limited, India	Purchase of traded goods	1,365,333	1,044,979
	Guarantee commission paid	40,000	39,145
	Equity shares issued	500,000	428,000
Dimensional Machine Works	Investment during the year	2,298,117	153,000
	Loan and Advances*		(50,915)

*During the year loan and advances paid to DMW is USD 320000 and received is USD 51070.32, the closing balance is USD 269029.68 (P.Y. USD (50915.32))

Dimensional Machine Works	(Amount in USD)
Opening Balance	100.00
Received During the year	320,000.00
Paid During the year	51,070.32
Closing Balance	269,029.68

Pradeep Metals Limited Inc, USA

Standalone notes on unaudited provisional financial statements for the Year ended 31st Mar, 2017

20.3 Closing balances

(Amount in USD)

Name of the party	Nature of outstanding	2016-17	2015-16
Pradeep Metals Limited, India	Payable	1,278,596	724,212
Dimensional Machine Works	Investment	3,079,673	781,556

Note:

In addition to above transactions, Pradeep Metals Limited, India (Holding Company) has given guarantee for term loan facility availed by Company from Bank.

21 CIF Value of imports - USD - 1,359,592.07 .

22 Disclosures as required under Accounting Standard 15 (AS 15) – Employee benefits (Revised):

As the Company had no employees during the year, no provision for defined benefit obligations like leave encashment and gratuity has been made. Also there are no defined contribution plans. Consequently, there are no disclosures as required by Accounting Standard 15 – ‘Employee Benefits (Revised)’.


23 Segmental Reporting

The Company operates in a single business and geographical segment viz., trading in steel products. Accordingly, no separate segment disclosure as required by Accounting Standard – 17 (Segment Reporting) for primary / secondary business and geographical segments is required.

24 Previous years comparatives

Previous year's figures have been re-grouped / reclassified wherever necessary to conform to the current year's classification.

**For and on behalf of the Board of Directors of
Pradeep Metals Limited Inc, USA**

-
Abhinav Goyal
Director

Place:

Date: