

**Pradeep Metals Limited Inc, USA**  
**Standalone Unaudited Balance Sheet as at 31st March 2016**

(Amount in USD)

Particulars	Note No.	As at 31st March 2016	As at 31st March 2015
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholder's funds</b>			
Share capital	2	858,000	430,000
Reserves and surplus	3	(221,789)	68,412
		<b>636,211</b>	<b>498,412</b>
<b>Non-current liabilities</b>			
Long term borrowings	4	1,800,000	-
		<b>1,800,000</b>	<b>-</b>
<b>Current liabilities</b>			
Trade payable	5	779,491	1,243,428
Other current liabilities	6	695,389	2,652,267
Short-term provisions	7	-	7,690
		<b>1,474,880</b>	<b>3,903,385</b>
<b>Total</b>		<b>3,911,091</b>	<b>4,401,797</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Fixed Assets</b>			
Tangible Assets		-	-
Intangible Assets		2,455,595	2,522,873
Capital Work-in-Progress		-	-
		<b>2,455,595</b>	<b>2,522,873</b>
Non-current investments	8	781,556	561,278
Long term loans and advances	9	50,000	-
		<b>3,287,151</b>	<b>3,084,151</b>
<b>Current assets</b>			
Inventories	10	367,426	830,771
Trade receivables	11	188,429	469,996
Cash and bank balances	12	52,032	16,879
Short-term loans and advances	13	16,053	-
		<b>623,940</b>	<b>1,317,646</b>
<b>Total</b>		<b>3,911,091</b>	<b>4,401,797</b>
<b>Significant accounting policies</b>	1		
<b>Other notes</b>	2 to 23		

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 : Texas, USA  
Date : 05 May, 2016

**Pradeep Metals Limited Inc, USA**

**Standalone Unaudited Statement of Profit and Loss for the year ended 31st March 2016**

(Amount in USD)

Particulars	Note No.	Year ended 31st March 2016	Year ended 31st March 2015
<b>Revenue</b>			
Revenue from operations	14	1,583,826	2,026,114
Other income	15	-	-
<b>Total revenue</b>		<b>1,583,826</b>	<b>2,026,114</b>
<b>Expenses</b>			
Purchase of stock in trade		1,050,426	1,898,198
Decrease/(Increase) in stock in trade	16	463,345	(297,921)
Finance costs	17	174,563	728
Administrative, selling and distribution expense	18	193,383	359,327
<b>Total expenses</b>		<b>1,881,716</b>	<b>1,960,333</b>
<b>Profit before prior period items and taxes</b>		(297,890)	65,781
Prior period expense	18.1	6,762	-
<b>Profit before taxes</b>		<b>(304,652)</b>	<b>65,781</b>
<b>Tax expense:</b>			
Current tax			
- Current tax		-	15,721
- Short/(excess) provision for income tax for earlier years		(14,451)	-
Deferred tax charge / (Credit)		-	-
		<b>(14,451)</b>	<b>15,721</b>
<b>Net profit / (loss) for the year</b>		<b>(290,201)</b>	<b>50,060</b>
<b>Significant accounting policies</b>	1		
<b>Other notes</b>	2 to 23		

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 : Texas, USA  
Date : 05 May, 2016

Pradeep Metals Limited Inc, USA  
Standalone Unaudited Cash Flow Statement for the year ended 31st March 2016

(Amount in USD)

Particulars	Note	2015 - 2016		2014 - 2015	
		USD	USD	USD	USD
A. CASH FLOW FROM OPERATING ACTIVITIES					
Net profit/(loss) before taxation and prior period item			(297,890)		65,781
Adjustments for:					
Provision for doubtful debts		-		-	
Interest expenses		174,563		728	
Interest income		-		-	
			174,563		728
Operating profit before changes in assets and liabilities			(123,328)		66,509
Movements in working capital : [Current and Non-current]					
(Increase) / decrease in loans & advances and other current assets		(16,053)		-	
(Increase) / decrease in inventories		463,345		(297,921)	
(Increase) / decrease in trade receivable		281,567		(71,172)	
Increase / (decrease) in trade payable, other current liabilities and provisions		(2,682,600)	(1,953,741)	2,982,049	2,612,956
			(2,077,069)		2,679,465
Less: Prior period items			-		-
			(2,077,069)		
Adjustment for:					
Direct taxes paid [including tax deducted at source]			(50,000)		11,331
Net cash generated/ (used in) from operating activities...(A)			(2,127,069)		2,668,134
B. CASH FLOW FROM INVESTING ACTIVITIES					
Investments made			(220,278)		(561,278)
Net cash generated / (used in) from investing activities...(B)			(220,278)		(561,278)
C. CASH FLOW FROM FINANCING ACTIVITIES					
Proceeds from issue of share capital		428,000		425,000	
Proceeds from long term borrowing		2,000,000		-	
Interest paid on loans		(112,778)		(728)	
Net cash generated / (used) from financing activities...(C)			2,315,222		424,272
Net increase in cash and cash equivalents...(A + B + C)			(32,125)		2,531,128

**Pradeep Metals Limited Inc, USA**  
**Standalone Unaudited Cash Flow Statement for the year ended 31st March 2016**

Particulars	Note	(Amount in USD)			
		2015 - 2016		2014 - 2015	
		USD	USD	USD	USD
Cash and cash equivalents at the beginning of the year	12	16,879		8,624	
Cash and cash equivalents at the end of the year		52,032		16,879	
			<b>35,153</b>		<b>8,255</b>
Significant accounting policies	1				
Other notes	2 to 23				

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 : Texas, USA  
Date : 05 May, 2016

Pradeep Metals Limited Inc, USA

Standalone notes on unaudited financial statements for the year ended 31st March 2016

(Amount in USD)

2	Issued, subscribed and paid-up capital	As at	As at
		31st March 2016	31st March 2015
	Equity shares		
	200 (Previous year :200) Equity Shares of USD 25 each	858,000	430,000
	Total	858,000	430,000

2.1	Reconciliation of number of shares outstanding	As at	As at
		31st March 2016	31st March 2015
	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	As at
		31st March 2016	31st March 2015
	Statement of profit and loss		
	Opening Balance	68,412	18,352
	Add: Transferred from statement of profit and loss	(290,201)	50,060
	Total	(221,789)	68,412

Pradeep Metals Limited Inc, USA  
Standalone notes on unaudited financial statements for the year ended 31st March 2016

(Amount in USD)		
4	Long term borrowings	
	As at 31st March 2016	As at 31st March 2015
	Unsecured	
	Term loan	
	From bank	
	- Term loan [Refer note 4.1(i) and 4.2]	
	1,800,000	-
	Total	
	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.

4.2 Terms of repayment

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

(Amount in USD)		
5	Trade payable	
	As at 31st March 2016	As at 31st March 2015
	Trade payable	
	779,491	1,243,428
	Total	
	779,491	1,243,428

(Amount in USD)		
6	Other current liabilities	
	As at 31st March 2016	As at 31st March 2015
	Current maturity of long term borrowing	
	200,000	-
	Interest accrued but not due on long term borrowings	
	45,719	-
	Interest payable to others	
	16,065	-
	Amount payable for acquisition of subsidiary	
	428,400	2,556,800
	Accrued expenses	
	5,205	95,467
	Total	
	695,389	2,652,267

(Amount in USD)		
7	Short term provisions	
	As at 31st March 2016	As at 31st March 2015
	Provision for income tax [Net]	
	-	7,690
	Total	
	-	7,690

**Pradeep Metals Limited Inc, USA**

Standalone notes on unaudited financial statements for the year ended 31st March 2016

		(Amount in USD)	
8	<b>Non-current investments</b> (At cost, unless otherwise specified)	<b>As at</b> <b>31st March 2016</b>	<b>As at</b> <b>31st March 2015</b>
	Long term investment		
	Unquoted investment		
	(a) Trade investment		
	In subsidiary		
	Dimensional Machine Works	781,556	561,278
	<b>Total</b>	<b>781,556</b>	<b>561,278</b>

**8.1 Other disclosures of investment**

Other disclosures of investment		(Amount in USD)
Aggregate cost of unquoted investment	781,556	561,278
Market value of unquoted investment	781,556	561,278
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 2016	As at 31st March 2015
	Income tax refund receivable	50,000	-
	Total	50,000	-

			(Amount in USD)
10	Inventories	As at 31st March 2016	As at 31st March 2015
	Stock in trade	367,426	830,771
	Total	367,426	830,771

		(Amount in USD)	
11	Trade receivables	As at 31st March 2016	As at 31st March 2015
	(from the date they are due for payment)		
	Debt outstanding for a period exceeding six months		
	Considered good	-	-
	Considered doubtful	-	-
	Others debts	188,429	469,996
		188,429	469,996
	Less: Provision for doubtful debts	-	-
	Total	188,429	469,996

Pradeep Metals Limited Inc, USA

Standalone notes on unaudited financial statements for the year ended 31st March 2016

		(Amount in USD)	
12	Cash and bank balances	As at 31st March 2016	As at 31st March 2015
	Cash and cash equivalent		
	Cash in hand	-	-
	Balance with bank		
	- In current accounts	52,032	16,879
	<b>Total</b>	<b>52,032</b>	<b>16,879</b>

		(Amount in USD)	
13	Short-term loans and advances (Unsecured, considered good unless otherwise stated)	As at 31st March 2016	As at 31st March 2015
	Advances recoverable in cash or in kind or for value to be received		
	Other loans and advances		
	- Advance recoverable from subsidiary	100	-
	- Balance with tax authorities	15,953	-
	<b>Total</b>	<b>16,053</b>	<b>-</b>

**Pradeep Metals Limited Inc, USA**

**Standalone notes on unaudited financial statements for the year ended 31st March 2016**

(Amount in USD)

14	Revenue from operations	2015-2016	2014-2015
	Sale of goods	1,532,289	2,026,114
	Other operating revenue Custom duty refund	51,537	-
	<b>Total</b>	<b>1,583,826</b>	<b>2,026,114</b>

(Amount in USD)

15	Other income	2015-2016	2014-2015
	Miscellaneous income	-	-
	<b>Total</b>	<b>-</b>	<b>-</b>

(Amount in USD)

16	Decrease/(Increase) in stock in trade	2015-2016	2014-2015
	Opening stock	830,771	532,850
	Less : Closing Stock	367,426	830,771
	<b>Net (increase)/ decrease in stock in trade</b>	<b>463,345</b>	<b>(297,921)</b>

(Amount in USD)

17	Finance cost	2015-2016	2014-2015
	Interest on loans	95,565	-
	Other interest costs	16,065	-
	Corporate guarantee charges	39,145	-
	Loan processing & bank charges	23,788	728
	<b>Total</b>	<b>174,563</b>	<b>728</b>

(Amount in USD)

18	Administrative, selling and distribution expense	2015-2016	2014-2015
	Rent	145,767	190,427
	Rates and taxes	2,868	130,069
	Professional fees	18,399	15,428
	Communication expenses	3,349	2,978
	Travelling and conveyance expenses	16,500	18,544
	Miscellaneous expenses	6,501	1,881
	<b>Total</b>	<b>193,383</b>	<b>359,327</b>

**Pradeep Metals Limited Inc, USA**  
**Standalone notes on unaudited financial statements for the year ended 31st March 2016**

**18.1 Prior period expense**

Particulars	(Amount in USD)	
	2015-2016	2014-2015
Rates & taxes	6,762	-
Net prior period expense	6,762	-

**19 Capital and other commitments**

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

**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	2015-2016	2014-2015
Pradeep Metals Limited, India	Purchase of traded goods	1,044,979	134,780
	Guarantee commission paid	39,145	-
	Equity shares issued	428,000	430,000
Dimensional Machine Works	Investment during the year	153,000	3,084,151

**20.3 Closing balances**

		(Amount in USD)	
Name of the party	Nature of outstanding	31st March 2016	31st March 2015
Pradeep Metals Limited, India	Payable	724,212	1,173,800
Dimensional Machine Works	Investment	781,556	561,278

**Pradeep Metals Limited Inc, USA**

**Standalone notes on unaudited financial statements for the year ended 31st March 2016**

**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 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)'.

**22 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.

**23 Previous years comparatives**

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

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

*sd/-*

**Abhinav Goyal  
Director**

Place : Texas, USA  
Date : 05 May, 2016