

Standalone Statement of changes in equity for the year ended 31st March 2019

(Amount in USD)

Particulars	Attributable to Owners		Total (A+B)
	Equity share capital (A)	Reserves and surplus (B)	
		Retained earnings	
Balance at 1st April 2017	3,620,111	(1,089,817)	2,530,294
Profit for the year	-	(614,331)	(614,331)
Transferred from statement of profit and loss		189,159	189,159
Balance as at 31st March 2018	3,620,111	(1,514,989)	2,105,122
Balance at 1st April 2018	3,620,111	(1,514,989)	2,105,122
Profit for the year	-	(885,651)	(885,651)
Balance as at 31st March 2019	3,620,111	(2,400,640)	1,219,471

Significant accounting policies & other notes

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

As per our report of even date

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

Abhinav Goyal
Director

Place : Navi Mumbai
Date : 15th May 2019

Dimensional Machine Works LLC
Standalone Unaudited Balance Sheet as at 31st March 2019

(Amount in USD)

Particulars	Note No.	As at 31st March 2019	As at 31st March 2018
ASSETS			
Non-current assets			
Property, plant & equipment	4	999,969	1,245,690
Goodwill	4	894,333	968,571
Other intangible assets	4	6,343	8,550
Financial Assets			
(i) Other non current financial assets	5	6,438	-
Other non current assets	6	-	4,492
		1,907,083	2,227,303
Current assets			
Inventories	7	815,137	840,434
Financial assets			
(i) Trade receivables	8	119,331	207,099
(ii) Cash and cash equivalents	9	111,366	5,612
(iii) Loans	10	1,970	-
(iv) Other current financial assets	11	41,866	9,650
Other Current assets	12	14,181	-
		1,103,850	1,062,796
TOTAL ASSETS		3,010,933	3,290,098
CAPITAL AND LIABILITIES			
Capital			
Member's capital	13	3,620,111	3,620,111
Other equity		(2,400,640)	(1,514,989)
		1,219,471	2,105,122
Liabilities			
Non-current liabilities			
Financial liabilities			
- Borrowings	14	79,459	106,069
		79,459	106,069
Current liabilities			
Financial liabilities			
(i) Borrowings	15	1,170,781	701,732
(ii) Trade payable	16	191,602	189,023
(iii) Other current financial liabilities	17	349,621	188,153
		1,712,004	1,078,907
Total		3,010,934	3,290,099
Significant accounting policies & other notes	1 to 37		

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

For Dimensional Machine Works LLC, USA

Abhinav Goyal
 Manager

Place : Navi Mumbai
 Date : 15th May 2019

Dimensional Machine Works LLC
Stnadalone Unaudited Statement of Profit and Loss for the year ended 31st March 2019

(Amount in USD)

Particulars	Note No.	Year ended 31st March 2019	Year ended 31st March 2018
INCOME			
Revenue from operations	18	1,513,743	2,781,165
Other income	19	13,391	880
Total revenue		1,527,134	2,782,045
EXPENSES			
Changes in inventory of raw material	20	107,250	201,173
Changes in inventory of work-in-progress and finished goods	21	29,319	(32,454)
Manufacturing expenses	22	695,732	1,290,592
Employee benefit expenses	23	997,155	1,220,876
Finance costs	24	20,392	7,139
Depreciation and amortization expense	4	331,652	330,141
Other expenses	25	231,285	378,908
Total expenses		2,412,785	3,396,376
Profit before tax		(885,651)	(614,331)
Tax expense:			
- Current tax		-	-
- Short/(excess) provision for tax of earlier year		-	-
- Deferred tax charge/ (Credit)		-	-
Net profit / (loss) for the year (A)		(885,651)	(614,331)
Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
Total (1)		-	-
(i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Total (2)		-	-
Other Comprehensive Income (1+2) (B)		-	-
Total Comprehensive Income (A+B)		(885,651)	(614,331)
Earnings per equity share			
(a) Basic (Face value of USD. 25 each)		-	-
(b) Diluted (Face value of USD. 25 each)		-	-
Significant accounting policies & other notes	1 to 38		

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

For Dimensional Machine Works LLC, USA

Abhinav Goyal
Manager

Place : Navi Mumbai
Date : 15th May 2019

(Amount in USD)

5	Other non current financial assets (Unsecured, considered good unless otherwise stated)	As at	As at
		31st March 2019	31st March 2018
	Deposits	6,438	-
	Total	6,438	-

6	Other non current assets (Unsecured, considered good unless otherwise stated)	As at	As at
		31st March 2019	31st March 2018
	Prepaid expenses	-	4,492
	Total	-	4,492

(Amount in USD)

7	Inventories (At lower of cost or net realisable value unless otherwise stated)	As at	As at
		31st March 2019	31st March 2018
	Raw materials	33,236	33,236
	Finished goods	704,139	727,685
	Work in progress	73,740	79,513
	Spares	4,023	-
	Total	815,137	840,434

(Amount in USD)

8	Trade receivables (Unsecured, considered good unless otherwise stated)	As at	As at
		31st March 2019	31st March 2018
	Considered good	119,331	207,099
	Total	119,331	207,099

- 8.1 No trade receivables are due from members or other officers of the Company either severally or jointly with any other person.
8.2 For details of outstanding receivables from related parties. (Refer note 29.3)
8.3 Trade receivables are non - interest bearing and are generally on terms of 30 to 270 days.
8.4 Trade receivable includes Rs. Nil (Previous year Rs. Nil) receivable from private company having common director.
8.5 Refer note 32 for policy on expected credit loss.

(Amount in USD)

9	Cash and cash equivalent	As at	As at
		31st March 2019	31st March 2018
	Cash and cash equivalent		
	Balance with bank - In current accounts	111,366	5,612
	Total	111,366	5,612

(Amount in USD)

10	Loans (Unsecured, considered good otherwise stated)	As at	As at
		31st March 2019	31st March 2018
	Loan to Employee	1,970	-
	Total	1,970	-

- 10.1 No loans and advances are due from members or other officers of the Company either severally or jointly with any other person.

(Amount in USD)

11	Other current financial assets (Unsecured, considered good unless otherwise stated)	As at	As at
		31st March 2019	31st March 2018
	Receivable from Pradeep Metals India	2,755	-
	Other receivables	39,111	9,650
	Total	41,866	9,650

11.1 Break up of financial assets carried at amortised cost

(Amount in USD)

11.1	Other current financial assets	As at	As at
		31st March 2019	31st March 2018
	Loans (Refer note 10.1)	1,970	-
	Other financial assets (Refer note 5 & 11)	48,304	9,650
	Trade receivables (Refer note 8)	119,331	207,099
	Cash & cash equivalents (Refer note 9)	111,366	5,612
	Total	280,970	222,362

(Amount in USD)

12	Other current assets (Unsecured, considered good unless otherwise stated)	As at	As at
		31st March 2019	31st March 2018
	Advance to supplier	14,181	-
	Total	14,181	-

- 12.1 No advances are due from members or other officers of the Company either severally or jointly with any other person.

(Amount in USD)

13	Partner's equity capital	As at	As at
		31st March 2019	31st March 2018
	Pradeep Metals Limited Inc., USA, Houston	3,620,111	3,620,111
	Total	3,620,111	3,620,111

13.1 Reconciliation of number of shares outstanding

(Amount in USD)

13.1		As at	As at
		31st March 2019	31st March 2018
	Shares outstanding at beginning of the year	3,620,111	3,620,111
	Shares issued during the year	-	-
	Shares bought back during the year	-	-
	Shares outstanding at the end of the year	3,620,111	3,620,111

13.2 Equity Shares held by each shareholder holding more than 5% shares

Name of shareholder	As at 31st March 2019		As at 31st March 2018	
	Number of Shares	% of holding	Number of Shares	% of holding
Pradeep Metals Limited, Inc, USA, Houston	3,620,111	100.00	3,620,111	100.00

In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

13.3 Details of Holding and/ or their Subsidiaries Company

Name of shareholder	As at		As at	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Pradeep Metals Limited, Inc, USA, Houston	3,620,111	100.00	3,620,111	100.00

(Amount in USD)

14 Borrowings (Non current)	As at 31st March 2019	As at 31st March 2018
Secured		
Term loan		
From bank		
- Vehicle loan (Refer note 14.1 (i) and 14.2)	-	15,332
- Machinery loan (Refer note 14.1 (i) and 14.2)	79,459	90,737
Total	79,459	106,069

14.1 Details of security provided

- (i) Vehicle loan taken by Balboa is secured against hypothecation of vehicle.
(ii) Machinery loan taken by SDS is secured against hypothecation of machine. Further, machinery loan is guaranteed by WOS.

14.2 Terms of repayment

Particulars	Amount	Terms of repayment
Term loan from Bank	112,920	Machinery loan - repayable in installments till August 2022
- Machinery Loan		
- Vehicle Loans	14,733	In case of Balboa, vehicle loan is repayable in 8 installments from June 2018
Total	127,653	

(Amount in USD)

15 Borrowings (Current)	As at 31st March 2019	As at 31st March 2018
Loan from Pradeep Metals Ltd, Inc, USA, Houston (Repayable on demand)	1,170,781	701,732
Total	1,170,781	701,732

(Amount in USD)

16 Trade payable	As at 31st March 2019	As at 31st March 2018
Trade payable	191,602	189,023
Total	191,602	189,023

16.1 Terms & conditions of the above financial liabilities:

Trade payables are non-interest bearing and are generally settled on 15 to 90 days terms For details of balances outstanding of related parties, refer note 29.3)

(Amount in USD)

17 Other current financial liabilities	As at 31st March 2019	As at 31st March 2018
Payable to Holding Company	89,816	-
Current maturity of loan		
- Vehicle loan	14,733	982
- Machinery loan	33,461	22,064
Others liabilities	52,523	44,074
Salary and wages payable	113,662	78,644
Payable to Statutory Authorities	45,425	42,389
Total	349,621	188,153

17.1 Break up of financial liabilities carried at amortised cost

	As at 31st March 2019	As at 31st March 2018
Borrowings (refer note no.14 & 15)	1,250,240	807,801
Trade payable (refer note no.16)	191,602	189,023
Other financial liabilities (refer note no.17)	349,621	188,153
Total	1,791,463	1,184,976

(Amount in USD)

18	Revenue from operations	Year ended 31st March 2019	Year ended 31st March 2018
	Sales- Machined components	1,389,342	2,771,802
	Scrap Sales	11,132	9,362
	Other Operating Revenue		
	Sundry balance written back	18,210	-
	Management Fee	95,060	-
	Total	1,513,743	2,781,165

18.1 Disclosures of Ind AS 115:

Effective from 1st April 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 Revenue from contracts with customers replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts.

Adoption of new standard does not have any impact on revenue recognition for current year as well as earlier years. Refer Significant accounting policies on Revenue recognition

- Contracts with customer and significant judgement in applying the standard:
 (i) For details of revenue recognised from contracts with customers, refer note 18 above.
 (ii) There are no contract assets arising from the Company contract with customers.

18.2 Reconciliation of revenue recognized with the contracted price is as follows:

Particulars	For the year ended	
	31st March, 2019	31st March, 2018
Contracted price	1,528,026	2,810,133
Less: Reductions towards variable consideration components	14,283	28,969
Revenue recognised	1,513,743	2,781,165

The reduction towards variable consideration comprises of volume discounts, etc.

(Amount in USD)

19	Other income	Year ended 31st March 2019	Year ended 31st March 2018
	Profit on sale of assets	12,115	-
	Miscellaneous receipts	1,276	880
	Total	13,391	880

(Amount in USD)

20	Cost of material consumed- Steel & alloys	Year ended 31st March 2019	Year ended 31st March 2018
	Raw Material		
	Opening stock	33,236	-
	Add : Purchases and incidental expenses	107,250	234,409
		(A) 140,486	234,409
	Less : Closing Stock	(B) 33,236	33,236
	Total	(A-B) 107,250	201,173

(Amount in USD)

21	Changes in inventory of work-in-progress and finished goods	Year ended 31st March 2019	Year ended 31st March 2018
	Inventory at the beginning of the year		
	Finished goods	727,685	774,744
	Work in progress	79,513	-
		(A) 807,198	774,744
	Inventory at the end of the year		
	Finished goods	704,139	727,685
	Work in progress	73,740	79,513
		(B) 777,879	807,198
	(Increase)/ Decrease in inventory of work in progress and finished goods	(A-B) 29,319	(32,454)

(Amount in USD)

22	Manufacturing expenses	Year ended 31st March 2019	Year ended 31st March 2018
	Stores & spares consumed	82,924	246,210
	Power and fuel	32,103	46,575
	Repairs and maintenance	-	-
	- Plant and machinery	26,711	50,987
	Contract labour expense	224,859	416,202
	Job work expenses	185,744	390,533
	Rent & lease expenses	121,339	123,354
	Repairs and maintenance - Factory building	4,578	3,190
	Insurance expenses	17,472	13,541
	Total	695,732	1,290,592

(Amount in USD)

23	Employee benefit expense	Year ended 31st	Year ended 31st
		March 2019	March 2018
	Salaries, wages and bonus	875,225	1,065,009
	Contribution to funds	121,930	155,868
	Total	997,155	1,220,876

(Amount in USD)

24	Finance cost	Year ended 31st	Year ended 31st
		March 2019	March 2018
	Interest on loans	13,649	6,379
	Bank charges	6,743	761
	Total	20,392	7,139

(Amount in USD)

25	Other expenses	Year ended 31st	Year ended 31st
		March 2019	March 2018
	Relocatin Expenses	100,584	-
	Rates and taxes	10,938	11,239
	Freight outward	26,371	50
	Professional fees	11,253	330,248
	Motor car expense	5,430	2,789
	Communication expenses	6,391	4,666
	Bad debts	7,190	-
	Office expenses	16,533	11,384
	Sales promotion expenses	10,789	7,935
	Travelling expenses	5,705	2,052
	Miscellaneous expenses	30,101	8,545
	Total	231,285	378,908

* Miscellaneous expenses includes Licences & Permits, Meals & Entertainment, Penalty, Toll & Parking, Printing & reproduction & Uncategorised Exp. etc.

26 Contingent liabilities

(A) There are no contingent liabilities in WOS as well as SDS.

27 Capital and other commitments

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

b In respect of lease arrangement, Company has commitment to take over the machine at nominal value. Amount will be quantified at the end of lease period in the year 2019.

28 Disclosure of lease

Where the Company is a lessee

28.1 Operating lease:

The Firm has taken land under lease. These agreements are generally non cancelable. Total lease payments in respect of such leases debited to the Statement of Profit and Loss and disclosed in note 22 of the financials statements is USD 70,633.00 (Previous Year : USD Nil). The future minimum lease payments under non-cancellable operating lease agreement are as under:
 Contingent rent payable USD Nil (Previous Year : USD Nil).

(Amount in USD)

Particulars	Year ended 31st	Year ended 31st
	March 2019	March 2018
Lease rent expenses debited to statement of profit and loss [Refer note 22]	70,633	-
Future lease rent payable		
- Not later than one year	142,680.00	-
- Later than one year and not later than five years	219,270.00	-
- Later than five years	-	-
- Contingent rent payable	-	-

Notes:

a Subletting of the factory premises is permissible only after obtaining written consent from the lessor. There are no sub leases during the year.

b SDS has an option to renew the lease for further period of 3 years. Increase in rent would be USD 3,000 per year during such term.

28.2 Finance lease:

Plant and machinery includes gross block of USD 26398. (Previous period : USD NIL) and vehicle includes gross block of USD 40287(Previous period : USD NIL) [including incidental cost of USD NIL (Previous period : USD) not covered under finance lease] being cost of assets taken on finance lease. The net block of machinery included in fixed assets as on 31st March 2019 is USD 24607 (As on 31st March 2018 : USD NIL.) and the net block of vehicle includes in fixed assets as on 31st March 2019 is USD 32329 (As on 31st March 2018 : USD NIL) .

Lease obligations as at 31st March 2019

(Amount in USD)

Particulars	Future lease payments	Interest	Present Value
Payable not later than 1 year*	28,830	899	27,931
	(-)	(-)	(-)
Payable later than 1 year and not later than 5 years	7,666	117	7,549
	(-)	(-)	(-)
Later than 5 years	-	-	-
	(-)	(-)	(-)
Total	36,496	1,016	35,480

(Previous year figures have been given in brackets)

29 Related party disclosure

29.1 Names of related parties (As identified by Management)

Description of relationship	Name of the Related Party
Holding Company (Member)	Pradeep Metals Limited Inc, USA, Houston
Ultimate Holding Company	Pradeep Metals Limited, India
Key Managerial Personnel	Mr. Pradeep Goyal (Manager) Mr. Abhinav Goyal (Manager) Mrs. Neha Goyal (Wife of Mr. Abhinav Goyal) Mr. Jayvardhan Diwan (Manager)
Enterprise in which KMP is having control	Pradeep Metals Limited Inc, USA, Houston

29.2 Transactions with related parties during the year

(Amount in USD)

Name of the party	Nature of the transaction	Year ended 31st March 2019	Year ended 31st March 2018
Pradeep Metals Limited Inc, USA, Houston	Sales	1,767	-
	Outstanding capital	3,620,111	3,620,111
	Management Fees	95,060	-
	Temporary Advances	143,603	-
	Loan Liabilities	469,049	701,732
Pradeep Metals Limited India	Capital Goods Sales	322,342	-
Mr. Abhinav Goyal	Remuneration	111,403	78,169
Mrs. Neha Goyal	Remuneration	27,765	-

29.3 Closing balances

(Amount in USD)

Name of the party	Nature of outstanding	Year ended 31st March 2019	Year ended 31st March 2018
Pradeep Metals Limited Inc, USA, Houston	Equity share	3,620,111	3,620,111
	Sales	1,767	-
	Management Fees	95,060	-
	Temporary Advances	143,603	-
	Loan Liabilities	1,170,781	701,732
Pradeep Metals Limited India	Accounts Receivable	2,755	-
Mr. Abhinav Goyal	Salary Payable	2,769	-
Mrs. Neha Goyal	Salary Payable	2,308	-

29.4 Outstanding balances at the year end are unsecured with a short term duration and interest free. For the year ended 31st March 2019, the Company has not recorded any impairment of receivables relating to amount owed by related parties (Previous year :Rs. Nil). This assessment is undertaken in each financial year through examining the financial position of the related party & the market in which the related party operates.

29.5 All transactions were made on normal commercial terms and conditions and at market rates.

30 Financial instruments by category

Set out below is a comparison, by class, of the carrying amounts and fair value of the Company's financial instruments as of 31st March 2019, other than those with carrying amounts that are reasonable approximates of fair values:

(Amount in USD)

Particulars	Carrying value		Fair Value	
	As at	As at	As at	As at
(i) Investments	-	-	-	-
(ii) Loans	1,970	-	1,970	-
(iii) Other non-current financial assets	6,438	-	6,438	-
(iv) Trade receivables	119,331	207,099	119,331	207,099
(v) Cash and cash equivalents	111,366	5,612	111,366	5,612
(vi) Bank balances other than (v) above	-	-	-	-
(vii) Other current financial assets	41,866	9,650	41,866	9,650
Total financial assets	280,970	222,362	280,970	222,362
(i) Borrowings (Non-current)	79,459	106,069	79,459	106,069
(ii) Trade payable	191,602	189,023	191,602	189,023
(iii) Other current financial liabilities	349,621	188,153	349,621	188,153
(iv) Borrowings	1,170,781	701,732	1,170,781	701,732
Total financial liabilities	1,791,463	1,184,976	1,791,463	1,184,976

The management assessed that the fair value of cash and cash equivalent, trade payables and other current financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

31 Significant estimates and assumptions

The preparation of the Company's financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures, including 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.

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.

a Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing the 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 risks specific to the asset. In determining the fair value less costs to disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

b Defined benefit plans & other long term benefits

The cost of the defined benefit gratuity plan and other long term benefit and the present value of the gratuity obligation and leave benefit are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The mortality rate is based on publicly available mortality tables for India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for India.

c Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

d Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

e Income tax and deferred tax

Deferred tax assets are not recognised for unused tax losses as it is not probable that taxable profit will be available against which the losses can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

f Provision for Inventories

Management reviews the inventory age listing on a periodic basis. This review involves comparison of the carrying value of the aged inventory item with the respective net realisable value. The purpose is to ascertain whether an allowance is required to be made in the financial statements for any obsolete and slow-moving items. Management is satisfied that adequate allowance for absolute and slow-moving inventories has been made in the financial statement

g Impairment review of goodwill

The Company tests for impairment of goodwill every year on 31st March. The impairment assessment is based on value in use. During the year ended 31st March 2019, the testing did not result in any impairment in the carrying amount of goodwill. The carrying amounts of goodwill is attributable to Dimensional Machine Works LLC. The recoverable amount is calculated based on value in use which has been determined based on business plans that have been approved by management for internal purposes. Key assumptions used for calculation of value in use are Earnings before interest and taxes (EBIT), Discount rate, Growth rates and Capital expenditures. With regard to assessment of value in use, any reasonable change in any of the above key assumptions will not cause the carrying amount of goodwill to exceed the recoverable amount.

32 Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings and trade payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a Risk Management Committee (RMC) that advises on financial risks and the appropriate financial risk governance framework for the Company. The RMC provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All derivative activities for risk management purposes are carried out by experienced members from the senior management who have the relevant expertise, appropriate skills and supervision. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The policies for managing each of these risks, are summarised as below.

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 three types of risk: interest rate risk, and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, .

The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant and on the basis of hedge designations in place as at 31st March 2019.

The analysis exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations and provisions.

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.

Interest rate sensitivity

The total interest cost the year ended 31st March 2019 was USD 20,392.00 and for year ended 31st March 2018 was USD 7,139.00. The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, with all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Change in basis points	Effect on PBT and equity (Amt. in USD)
31st March 2019	+50	0.27
	-50	(0.27)
31st March 2018	+50	0.26
	-50	(0.26)

Commodity price risk

Company is affected by the price volatility of certain commodities. Its operating activities require the on-going purchase of steel. Due to significant volatility of the price of the steel, the Company has agreed with its customers for pass-through of increase/decrease in prices of steel. There may be lag effect in case of such pass-through arrangement.

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 other receivables and other financial instruments.

Liquidity risk

As per the Company's policy, there should not be concentration of repayment of loans in a particular financial year. In case of such concentration of repayment, the Company evaluates the option of refinancing entire or part of repayments for extended maturity. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders and the Company.

The table below summarises the maturity profile of the Company's financial liabilities (Amount in USD)

Particulars	As at	As at
	31st March 2019	31st March 2018
Less than 1 year		
Borrowings	1,170,781	701,732
Trade and other payables	191,602	189,023
Other financial liabilities	349,621	188,153
Current maturity of long term borrowings	33,461	22,064
	1,745,465	1,100,971
1 to 5 years		
Borrowings	79,459	106,069
Trade and other payables		
	79,459	106,069
Total	1,824,924	1,207,040

33 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, and other equity reserves attributable to the equity Holders. The primary objective of the Company's capital management is to maximise 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, return capital to shareholders or issue new shares. The Company monitors capital using a debt equity ratio, which is debt divided by equity.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period. No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March 2019 and 31st March 2018.

34 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 Ind AS 108-11 "Operating Segment" is required.

35 Cash flow statement related

35.1 Aggregate outflow on account of direct taxes paid is USD. Nil (Previous year : USD Nil).

35.2 Disclosure as required by Ind AS 7

Reconciliation of liabilities arising from financing activities

(Amount in USD)

Particulars	As at 31st March 2018	Cash Flows	Non Cash Changes	As at 31st March 2019
Short Term Borrowings	106,069	(26,610)	-	79,459
Long Term Borrowings	701,732	469,049	-	1,170,781
Total Liabilities from financing activities	807,801	442,439	-	1,250,240

(Amount in USD)

Particulars	As at 31st March 2018	Cash Flows	Non Cash Changes	As at 31st March 2019
Short Term Borrowings	152,161	(46,092)	-	106,069
Long Term Borrowings	269,030	432,702	-	701,732
Total Liabilities from financing activities	421,191	386,610	-	807,801

35 Previous period comparatives

Previous Year Figures have been regrouped/rearranged wherever necessary.

For Dimensional Machine Works LLC, USA

Abhinav Goyal
 Manager

Place : Navi Mumbai
 Date : 15th May 2019

Dimensional Machine Works LLC
 Standalone Unaudited Cash Flow Statement for the year ended 31st March 2019

(Amount in USD)

Particulars	Note	Year ended 31st March 2019	Year ended 31st March 2018
A. CASH FLOW FROM OPERATING ACTIVITIES			
Net profit/(loss) before taxation and prior period item		(885,651)	(614,331)
Adjustments for:			
Depreciation	331,652		330,141
Bad debts/ sundry balances written off	7,190		-
Profit on sale of assets	(12,115)		-
Interest expenses	20,392		7,139
Gain on Capital Lease			189,159
		347,119	526,440
Operating profit before changes in assets and liabilities		(538,532)	(87,892)
Movements in working capital : [Current and Non-current]			
(Increase) / decrease in loans & advances and other current assets	(50,312)		(9,916)
(Increase) / decrease in inventories	25,297		(65,435)
(Increase) / decrease in trade receivable	80,578		80,229
Increase / (decrease) in trade payable, other current liabilities and	138,900	194,463	(411,938)
			(407,061)
Net cash generated/ (used in) from operating activities...(A)		(344,069)	(494,952)
B. CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of fixed assets	(294,516)		(131,870)
Sale of fixed asset	297,143		-
	2,628		(131,870)
Net cash generated / (used in) from investing activities...(B)		2,628	(131,870)
C. CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from long term borrowing	35,478		-
Repayment of long term borrowing	(36,940)		(36,405)
Proceeds from short term borrowing	469,049		432,702
Equity contribution received	-		137,910
Interest paid on loans	(20,392)		(7,139)
Net cash generated / (used) from financing activities...(C)		447,195	527,068
Net increase in cash and cash equivalents...(A + B + C)		105,754	(99,753)
Cash and cash equivalents at the beginning of the year	15	5,612	105,365
Cash and cash equivalents at the end of the year		111,366	5,612
		105,754	(99,753)
Significant accounting policies & other notes	1 to 37		

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

For Dimensional Machine Works LLC
 USA

Abhinav Goyal
 Manager

Place : Navi Mumbai
 Date : 15th May 2019

Dimensional Machine Works, LLP

Notes on standalone financial statements for the Year ended 31st March 2019

4 Property plant & equipment and intangible assets

4.1 Property plant & equipment and intangible assets as at 31st March 2019:

(Amount in USD)

Particulars	Gross block				Depreciation/ amortization					Net block	
	At 1st April 2018	Adjustment to opening balance	Additions	Deductions	At 31st Mar 2019	At 1st April 2018	Adjustment to opening balance	For the year	Deletions / adjustments	At 31st Mar 2019	At 31st Mar 2019
Tangible assets											
Plant and Machinery	1,633,611	-	196,763	459,799	1,370,575	424,142	-	224,308	197,044	451,407	919,168
Furniture and Fixtures	3,309	-	-	-	3,309	497	-	622	-	1,119	2,190
Vehicles	57,272	-	40,287	57,272	40,287	33,408	-	19,104	44,544	7,968	32,319
Leasehold Improvements	-	-	57,466	-	57,466	-	-	11,174	-	11,174	46,292
Total	1,694,192	-	294,516	517,071	1,471,637	458,047	-	255,209	241,588	471,668	999,969
Intangible assets											
Goodwill (Refer note 30)	1,113,020	-	-	-	1,113,020	144,449	-	74,238	-	218,687	894,333
Software	11,033	-	-	-	11,033	2,483	-	2,207	-	4,690	6,343
Total	2,818,245	-	294,516	517,071	2,595,690	604,979	-	331,654	241,588	695,045	1,900,645

4.2 In the opinion of management, expected growth in the demand of the Company's products will generate sufficient cash flows to cover the carrying value of the tangible and intangible assets (including goodwill). In view of the above in the opinion of the management, no provision for impairment loss is considered necessary.

4.3 Property plant & equipment and intangible assets as at 31st Mar 2018

(Amount in USD)

Particulars	Gross block				Depreciation/ amortization					Net block	
	At 1st April 2017	Adjustment to opening balance	Additions	Deductions	At 31st March 2018	At 1st April 2017	Adjustment to opening balance	For the year	Deletions / adjustments	At 31st March 2018	At 31st March 2018
Tangible assets											
Plant and Machinery	438,238	1,063,505	131,869	-	1,633,611	9,474	174,921	239,748	-	424,142	1,209,469
Furniture and Fixtures	6,521	(3,212)	-	-	3,309	1,009	(1,134)	622	-	497	2,812
Vehicles	57,272	-	-	-	57,272	9,545	954	13,363	-	23,863	33,409
Tools	1,037	(1,037)	-	-	-	148	(148)	-	-	-	-
Total	503,067	1,059,256	131,869	-	1,694,192	20,176	-	253,733	-	448,502	1,245,690
Intangible assets											
Goodwill (Refer note 30)	1,970,918	(857,898)	-	-	1,113,020	156,542	(86,294)	74,201	-	144,449	968,571
Software	-	11,033	-	-	11,033	-	276	2,207	-	2,483	8,550
Total	2,473,985	212,391	131,869	-	2,818,245	176,718	-	330,141	-	595,434	2,222,811