Annexure - 9 A

Amit Desai & Co

Chartered Accountants

CA

36 Sunbeam Apartment
3A Pedder Road, Mumbai 400 02
Maharashtra, India
Tel. No.: +91-022-2351224
93222 6938
E-mail : amitdesaiandco@gmail.co

INDEPENDENT AUDITOR'S REPORT

To the Members of MMG INDIA PRIVATE LIMITED

Report on the Financial Statements

We have audited the accompanying Financial Statements of MMG INDIA PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Financial Statements that give a true and fair view of the state of affairs (financial position), profit or loss (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. 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 and ensuring their operating effectiveness and the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these 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.

CERTIFIED TRUE COPY
MMG India Private Limited

Authorised Signatory

AMIT DESAI & CO. MUMBAI Chartered Accountants

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Financial Statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Financial Statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 including Ind AS specified under Section 133 of the Act, of the state of affairs (financial position) of the Company as at March 31, 2018, and its loss (financial performance including other comprehensive income), its cash flows and the statement of changes in equity for the year ended on that date.

Emphasis of Matter

We draw attention to Note No. 36 to the Financial Statements with regard to MAT Credit Entitlement of Rs.2,868 ('000), which is based on the judgment of the management.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

(1) As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.

(2) Further to our comments in Annexure A, as required by Section 143(3) of the Act, we report that:

a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

b. in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

AMIT DESAI & CO. MUMBAI Chartered Accountants

c. the Financial Statements dealt with by this report are in agreement with the books of account;

d. in our opinion, the aforesaid Financial Statements comply with the Ind AS specified under Section 133 of the Act;

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. we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on March 31, 2018 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date and our report dated May 18, 2018 as per "Annexure B" expressed an unmodified opinion;

g. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

   (i) the Company, as detailed in Note No. 31 has disclosed the impact of pending litigations on its financial position;

   (ii) the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

   (iii) there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Amit Desai & Co
Chartered Accountants
ICAI Firm Reg. No.: 130710W

AMIT DESAI & CO. MUMBAI Chartered Accountants

Andesai

(Amit N. Desai)
Partner
Membership No.: 032926

AMIT DESAI Mumbai M. No. 32926 CHARTERED ACCOUNTANTS

Mumbai: May 18, 2018

18 MAY 2018

ANNEXURE A

To The Independent Auditor's Report of even date to the members of **MMG INDIA PRIVATE LIMITED** on the Financial Statements for the year ended March 31, 2018]

Based on the audit procedures performed for the purpose of reporting a true and fair view on the Financial Statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

(i)

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

(b) The fixed assets of the Company have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.

(c) There are no immovable properties (which are included under the head 'Property, Plant and Equipment') and hence, the provisions of clause 3(i)(c) are not applicable to the Company.

(ii) In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies between physical inventory and book records were noticed on physical verification.

(iii) The Company has not granted unsecured loans to companies covered in the register maintained under Section 189 of the Act; hence the provisions of paragraph 3(iii) of the Order are not applicable to the Company.

(iv) In our opinion, the Company has complied with Section 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of Paragraph 3(v) of the order are not applicable.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to rules prescribed by the Central Government for the maintenance of the cost records under Sub-Section (1) of Section 148 of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.

AMIT DESAI & CO. MUMBAI Chartered Accountants

(vii)

(a) The Company is generally not regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, gst, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues, as applicable to it.

According to the information and explanations given to us, no undisputed dues in respect of provident fund, employees' state insurance, income-tax, wealth-tax, duty of customs, duty of excise, cess and other material statutory dues which were outstanding, at the yearend for a period of more than six months from the date they became payable except service tax, provident fund, sales tax (VAT & CST). A statement showing arrears of outstanding statutory dues as at the last date of the financial year for a period more than six months is as under:

Name of the Statute	Nature of Dues	Amount (Rs. in '000)	Period to which the amount relates	Due Date	Paid Amount (Rs. in '000)	Date of Payment
Finance Act, 1994	Service Tax	2,875.57	September 2015 to June 2017	6th of the following month of the respective months	Nil	Not Paid
Employees' Provident Funds & Miscellaneous Provisions Act, 1952	Provident Fund	824.24	November 2016 to August 2016	15th of the following month of the respective months	Nil	Not Paid
The Central Sales Tax, 1956	CST	438.21	September 2015 to June 2017	21st of the following month of the respective months	Nil	Not Paid
Tamil Nadu Value Added Tax Act, 2006	VAT	312.67	September 2015 to June 2017	22nd of the following month of the respective months	Nil	Not Paid

(b) In our opinion, there are no dues with respect to income tax, sales tax, service tax, value added tax, customs duty, excise duty, which have not been deposited on account of any dispute, except for the dues in relation to income tax as disclosed hereunder:

(viii) According to the information and explanations given to us, there are no dues with respect to income tax, sales tax, service tax, value added tax, customs duty, excise duty, which have not been deposited on account of any dispute, except for the dues in relation to income tax and sales tax as disclosed hereunder:

AMIT DESAI & CO. MUMBAI Chartered Accountants

Name of the statute	Nature of dues	Amount (Rs. in '000)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	3637.10	Financial Year 2011-12	Rectification u/s. 154 is pending before the Assessing Officer
The Central Sales Tax, 1956	Sales Tax	11443.23	Financial Year 2015-16	Appeal to be filed before Appellate Deputy Commissioner of Commercial Taxes, Chennai (East) Division

(ix) According to the information and explanations given to us, the Company has defaulted in repayment of loans or borrowings to a bank as under:

Particulars	Amount of default as at the balance sheet date (Rs. In '000)	Period of default	Remarks, if any
RBL Bank Limited	907.01	March 2018	It is Interest Overdue which is Paid in the month of April, 2017

(x) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments). In our opinion, no term loans were raised during the year under audit.

(xi) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.

(xii) As per the information and explanations given to us, Company has not paid/provided any managerial remuneration to any of the directors. Therefore the provisions of Paragraph 3(xi) of the Order are not applicable to the Company.

(xiii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of Paragraph 3(xii) of the Order are not applicable to the Company.

(xiv) As per the information and explanation given to us, all transactions entered into by the Company with the related parties are in compliance with Sections 188 of Act, where applicable, and the requisite details have been disclosed in the Financial Statements etc., as required by the applicable Ind AS. Section 177 of the Act is not applicable to the Company.

(xv) As informed, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.

AMIT DESAI & CO. MUMBAI Chartered Accountants

(xvi) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them covered under Section 192 of the Act.

(xvii) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Amit Desai & Co
Chartered Accountants
ICAI Firm Reg. No.: 130710W

(Amit N. Desai)
Partner
Membership No.: 032926

Mumbai: May 18, 2018

18 MAY 2018

ANNEXURE B

To The Independent Auditor's Report on the Internal Financial Controls under Clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the Financial Statements of MMG INDIA PRIVATE LIMITED ("the Company") as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting (IFCoFR) of the company of as of that date.

Management's Responsibility for Internal Financial Controls

The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the 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 (the "Guidance Note") 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, both issued by the ICAI. 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 IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Ind AS 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 IFCoFR.

Meaning of Internal Financial Controls over Financial Reporting

A Company's IFCoFR 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 the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India. A Company's IFCoFR 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

AMIT DESAI & CO. MUMBAI Chartered Accountants

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 IFCoFR, 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 IFCoFR to future periods are subject to the risk that the IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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 ICAI.

For Amit Desai & Co
Chartered Accountants
ICAI Firm Reg. No.: 130710W

AMIT DESAI & CO. MUMBAI Chartered Accountants

Andesai

(Amit N. Desai)
Partner
Membership No.: 032926

AMIT DESAI Mumbai M. No. 32926 CHARTERED ACCOUNTANTS

Mumbai: May 18, 2018

18 MAY 2018

MMG INDIA PRIVATE LIMITED
BALANCE SHEET AS AT MARCH 31, 2018

Rs. In '000

Particulars	Note No.	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
ASSETS				
Non-Current Assets				
(a) Property, Plant and Equipment	3	149,694.88	145,834.60	166,317.59
(b) Intangible Assets	4	1,248.45	361.02	304.99
(c) Capital Work-in-Progress		250.00	1,109.38	1,860.77
(d) Financial Assets				
Other Financial Assets	5	710.25	2,754.98	8,376.07
(e) Deferred Tax Assets (Net)	42	3,081.59	6,114.02	6,223.78
(f) Non-Current Tax Assets (Net)	6	2,259.70	2,180.97	1,998.31
(g) Other Non-Current Assets	7	3,197.39	5,898.89	8,600.39
Total Non - Current Assets		**160,442.26**	**164,253.85**	**193,681.90**
Current Assets				
(a) Inventories	8	61,474.59	54,416.28	40,179.71
(b) Financial Assets				
(i) Trade Receivables	9	87,750.58	56,991.61	50,933.40
(ii) Cash and Cash Equivalents	10	1,378.50	379.41	943.38
(iii) Bank Balances Other Than (ii) Above	11	2,234.97	12,738.49	14,474.12
(iv) Other Financial Assets	12	453.85	823.73	559.28
(c) Other Current Assets	13	29,972.46	21,870.52	17,533.46
(d) Assets Held for Sale	14	23,640.54	23,640.54	-
Total Current Assets		**206,905.48**	**170,860.57**	**124,623.36**
Total Assets		**367,347.74**	**335,114.42**	**318,305.26**
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	15	138,658.70	138,658.70	138,658.70
(b) Other Equity	16	(201,184.66)	(148,175.05)	(107,288.72)
Total Equity		**(62,525.96)**	**(9,516.35)**	**31,369.98**
Liabilities				
Non-Current Liabilities				
(a) Financial Liabilities				
Borrowings	17	64,504.98	58,216.34	72,362.49
(b) Provisions	18	3,835.47	3,402.45	2,719.43
Total non-current liabilities		**68,340.45**	**61,618.79**	**75,081.92**
Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	19	234,790.24	184,647.72	132,502.55
(ii) Trade Payables	20	37,399.85	33,914.53	28,082.80
(iii) Other Financial Liabilities	21	59,906.24	31,288.42	18,988.06
(b) Other Current Liabilities	22	27,294.79	31,561.01	30,570.41
(c) Provisions	23	2,142.13	1,600.31	1,709.53
Total Current Liabilities		**361,533.25**	**283,011.99**	**211,853.36**
Total Equity and Liabilities		**367,347.74**	**335,114.42**	**318,305.26**

The accompanying significant accounting policies and notes are an integral part of these financial statements.

As Per Our Report of Even Date
For Amit Desai & Co
Chartered Accountants
ICAI Firm Reg. No. 130710W

AMIT DESAI & CO. MUMBAI Chartered Accountants

(Amit N. Desai)
Partner
Membership No. 032926

Mumbai: 18 MAY 2018

AMIT DESAI Mumbai M. No. 32926 CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

Dr. Ram H. Shroff
(Director)
DIN: 00004865

Abhilash Sunny
(WTD & CFO)
DIN: 01985382

Mumbai: 18 MAY 2018

MMG INDIA PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

Rs. In '000

Particualrs	Note No.	Year Ended March 31, 2018	Year Ended March 31, 2017
Revenue			
Revenue from Operations	24	204,579.00	177,261.91
Other Income	25	4,334.27	4,034.07
Total Revenue		**208,913.27**	**181,295.99**
Expenses			
Cost of Materials Consumed	26	89,187.01	56,932.20
Changes in Inventories of Finished Goods & Work in Progress	27	874.15	1,149.13
Excise Duty	24	3,655.69	12,117.60
Employee Benefit Expense	28	47,268.96	47,838.98
Finance Costs	29	36,402.99	27,502.01
Depreciation and Amortisation Expense	3 & 4	11,471.84	10,713.07
Other Expenses	30	70,254.97	65,369.51
Total Expenses		**259,115.61**	**221,622.50**
Profit Before Tax		**(50,202.33)**	**(40,326.51)**
Tax Expenses	42		
- Current Tax		-	-
- Deferred Tax		2,973.89	248.83
Total Tax Expense		**2,973.89**	**248.83**
Profit For The Year		**(53,176.22)**	**(40,575.34)**
Other Comprehensive Income			
a) Items that will not be reclassified into profit or loss			
- Remeasurements of the Defined Benefit Obligations		225.16	(450.06)
b) Income tax relating to above items	42	(58.54)	139.07
Total Other Comprehensive Income of the Year		**166.62**	**(310.99)**
Total Comprehensive Income for the Year		**(53,009.60)**	**(40,886.33)**
Earnings Per Equity Share (Nominal Value of Rs.10/- Each)			
Basic and Diluted Earnings Per Share	34	(3.84)	(2.93)

The accompanying significant accounting policies and notes are an integral part of these financial statements.

As Per Our Report of Even Date
For Amit Desai & Co
Chartered Accountants
ICAI Firm Reg. No. 130710W

AMIT DESAI & CO. MUMBAI Chartered Accountants

(Amit N. Desai)
Partner
Membership No. 032926

AMIT DESAI Mumbai M. No. 32926 CHARTERED ACCOUNTANTS

Mumbai:
18 MAY 2018

For and on behalf of the Board of Directors

Dr. Ram H. Shroff
(Director)
DIN: 00004865

Abhilash Sunny
(WTD & CFO)
DIN: 01985382

Mumbai: 18 MAY 2018

MMG INDIA PRIVATE LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2018

A. Equity Share Capital **Rs. In '000**

Particulars	**Amount**
As at April 1, 2016	**138,658.70**
Changes in Equity Share Capital	-
As at March 31, 2017	**138,658.70**
Changes in Equity Share Capital	-
As at March 31, 2018	**138,658.70**

B. Other equity **Rs. In '000**

	Reserves and Surplus		**Total Other Equity**
	Retained Earnings	**Deemed Equity**	
Balance As At April 1, 2016	**(123,549.53)**	**16,260.81**	**(107,288.72)**
Additions During the Year	-	-	-
Profit/(Loss) for the Year	(40,575.34)	-	(40,575.34)
Other Comprehensive Income/(Loss) for the Year	(310.99)	-	(310.99)
Deletions During the Year	-	-	-
Balance As At March 31, 2017	**(164,435.86)**	**16,260.81**	**(148,175.05)**
Balance As At April 1, 2017	(164,435.86)	16,260.81	(148,175.05)
Additions During the Year	-	-	-
Profit/(Loss) for the Year	(53,176.22)	-	(53,176.22)
Other Comprehensive Income/(Loss) for the Year	166.62	-	166.62
Deletions During the Year	-	-	-
Balance As At March 31, 2018	**(217,445.46)**	**16,260.81**	**(201,184.66)**

The accompanying significant accounting policies and notes are an integral part of these financial statements.

As Per Our Report of Even Date
For Amit Desai & Co
Chartered Accountants
ICAI Firm Reg. No. 130710W

AMIT DESAI & CO. MUMBAI Chartered Accountants

Andesai

(Amit N. Desai)
Partner
Membership No. 032926

AMIT DESAI Mumbai M. No. 32926 CHARTERED ACCOUNTANTS

Mumbai:
18 MAY 2018

For and on behalf of the Board of Directors

Dr. Ram H. Shroff
(Director)
DIN: 00004865

Abhilash Sunny
(WTD & CFO)
DIN: 01985382

Mumbai:
18 MAY 2018

MMG INDIA PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

Rs. In '000

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) Before Tax	(50,035.72)	(40,637.50)
Adjustments For:		
Interest Income	(499.83)	(1,903.56)
Sundry Balances Written Back / (Written Off)	(5.56)	(608.38)
Excise Duty on Finished Goods	(2,743.09)	(86.63)
Provision for Employee Benefits	1,293.87	739.59
Finance Costs	36,402.99	27,502.01
Provision for Doubtful Debts	945.96	61.55
Depreciation and Amortisation Expense	11,471.84	10,713.07
Operating Profit / (Loss) Before Working Capital Changes	(3,169.54)	(4,219.86)
Adjustments For:		
(Change in Operating Assets and Liabilities)		
Employee Benefits	(319.02)	(165.81)
Trade Payables	3,490.88	6,440.10
Other Financial Liabilities	1,483.83	(2,585.58)
Other Current Liabilities	(4,266.22)	990.60
Other Current Assets	(8,101.94)	(4,337.06)
Other Financial Assets - Non-Current	2,044.73	5,621.09
Trade Receivables	(31,704.93)	(6,119.76)
Inventories	(4,315.22)	(14,149.93)
Other Financial Assets - Current	(126.30)	(226.63)
Cash Generated From / (Used in) Operations	(44,983.75)	(18,752.82)
Less: Income Taxes Paid (Net)	(20.19)	(321.72)
Net Cash Flow From / (Used in) Operating Activities	**(45,003.94)**	**(19,074.54)**
Cash Flows From Investing Activities		
Payments for Property, Plant and Equipment and Intangible Assets (including Capital Work-in-Progress and Capital Advances)	(18,213.28)	(10,322.14)
Proceeds from Sale of Property, Plant and Equipment	-	-
Interest Income	996.02	1,865.74
Movement in Cash and Bank Balances Which are Not Considered as Cash and Cash	10,503.52	1,735.63
Net Cash Flow From / (Used in) Investing Activities	(6,713.74)	(6,720.77)
Cash Flows from Financing Activities		
Net Proceeds of Borrowings - Non Current	25,066.21	(9,669.34)
Net Proceeds of Borrowings - Current	50,142.53	52,060.78
Finance Costs	(22,491.97)	(17,160.10)
Net Cash From / (Used in) Financing Activities	52,716.77	25,231.34
Net Increase / (Decrease) in Cash and Cash Equivalents	**999.10**	**(563.98)**
Cash and Cash Equivalents at the Beginning of the Year	379.41	943.38
Cash and Cash Equivalents at the End of the Year	**1,378.50**	**379.41**
Cash and Cash Equivalent Includes (Refer Note No.10)		
In Book Overdraft Accounts (Refer Note No.22)		

Notes:
1) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Ind AS-7 on Statement of Cash
2) Figures in bracket indicate cash outflow.

As Per Our Report of Even Date
For Amit Desai & Co
Chartered Accountants
ICAI Firm Reg. No. 130710W

AMIT DESAI & CO. MUMBAI Chartered Accountants

Andesai

(Amit N. Desai)
Partner
Membership No. 032926

AMIT DESAI Mumbai M. No. 32926 CHARTERED ACCOUNTANTS

Mumbai:

18 MAY 2018

For and on behalf of the Board of Directors

Dr. Ram H. Shroff
(Director)
DIN: 00004865

Abhilash Sunny
(WTD & CFO)
DIN: 01985382

Mumbai:

18 MAY 2018

MMG INDIA PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

1 COMPANY OVERVIEW

MMG INDIA PRIVATE LIMITED ("the Company") is a Company incorporated on June 5, 1996 under the provision of the Companies Act applicable in India. The Company is incorporated and domiciled and having principal place of business in India. The registered office is at B-87, MIDC, Ambad, Nashik, Maharashtra – 422010, India. The principal business of the company is manufacturing of soft ferrites. The Company is subsidiary of Delta Magnets Limited("the Holding Company").

2 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(a) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

(i) STATEMENT OF COMPLIANCE WITH INDIAN ACCOUNTING STANDARDS (IND AS)

The financial statements have been prepared in accordance with Indian Accounting Standards (hereafter referred to as the "Ind AS") as notified under Section 133 of the Companies Act, 2013("the Act"), read together with the Companies (Indian Accounting Standards) Rules, 2015.

For all periods up to and including the year ended 31st March, 2017, the Company had prepared its financial statements in accordance with Accounting Standards notified under the Section 133 of the Companies Act, 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 ('Previous GAAP'). Detailed explanation on how the transition from previous GAAP to Ind AS has affected the Company's Balance Sheet, financial performance and cash flows is given under **Note 44.**

The date transition to Ind AS is April 01, 2016. The financial statements as at and for the year ended 31st March 2018 (including Comparatives) were approved and authorised by the Company's Board of Directors as on **18th May 2018.**

These financial statements for the year ended 31st March 2018 are the first financial year with comparatives, prepared under Ind AS. The adoption was carried out in accordance with Ind AS 101, First Time adoption of Indian Accounting Standards.

(ii) HISTORICAL COST CONVENTION

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 are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind AS Balance Sheet as at 1st April 2016 being the date of transition.

(iii) ROUNDING OF AMOUNTS

All the amounts disclosed in the financial statements and notes are presented in Indian Rupees have rounded off to the nearest thousands as per requirement of Schedule III, unless otherwise states. The amount '0' denotes amount less than Rs. Ten.

(iv) CURRENT AND NON-CURRENT CLASSIFICATION

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in the Division II of Schedule III to the Act. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

(b) USE OF ESTIMATES

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of financial statements and reported amount of revenue and expenses for the year. Actual results could differ from these estimates. Difference between the actual result and estimates are recognised in the year in which results are known /materialised. Any revision to an accounting estimate is recognised prospectively in the year of revision.

AMIT DESAI & CO. MUMBAI Chartered Accountants

(c) REVENUE RECOGNITION

Revenue is recognised when it is probable that economic benefits associated with a transaction flows to the Company in the ordinary course of its activities and the amount of revenue can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates allowed by the Company. Revenue includes only the gross inflows of economic benefits, including excise duty, received and receivable by the Company, on its own account. Amounts collected on behalf of third parties such as sales tax and value added tax are excluded from revenue.

Sale of products:

Revenue from sale of products is recognised when the Company transfers all significant risks and rewards of ownership to the buyer, while the Company retains neither continuing managerial involvement nor effective control over the products sold.

Rendering of services:

Revenue from services is recognised when the stage of completion can be measured reliably. Stage of completion is measured by the services performed till Balance Sheet date as a percentage of total services contracted.

Interest income:

Interest income is recognised using effective interest method. Interest refund on loan under 'TUF' scheme is accounted on accrual basis.

Dividend income:

Dividend income is recognised when the right to receive payment is established.

(d) PROPERTY, PLANT AND EQUIPMENT

Measurement at recognition:

An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses.

The Company identifies and determines cost of each part of an item of property, plant and equipment separately, if the part has a cost which is significant to the total cost of that item of property, plant and equipment and has useful life that is materially different from that of the remaining item.

The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other nonrefundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any.

Any trade discounts and rebates are deducted in arriving at the purchase price. Cost includes cost of replacing a part of a plant and equipment if the recognition criteria are met. Expenses directly attributable to new manufacturing facility during its construction period are capitalized if the recognition criteria are met. Expenditure related to plans, designs and drawings of buildings or plant and machinery is capitalized under relevant heads of property, plant and equipment if the recognition criteria are met. Items such as spare parts, stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Costs in nature of repairs and maintenance are recognized in the Statement of Profit and Loss as and when incurred.

Capital work in progress and Capital advances:

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress. Advances given towards acquisition of fixed assets outstanding at each Balance Sheet date are disclosed as Other Non-Current Assets.

Depreciation:

Depreciation on each part of an item of property, plant and equipment is provided using the Straight Line Method based on the useful life of the asset as estimated by the management and is charged to the Statement of Profit and Loss as per the requirement of Schedule II of the Companies Act, 2013. The estimate of the useful life of the assets has been assessed based on technical advice which considers the nature of the asset, the usage of the asset, expected physical wear and tear, the operating conditions of the asset, anticipated technological changes, manufacturers warranties and maintenance support, etc.

The estimated useful life of items of property, plant and equipment is mentioned below:

Category of Asset	Years
Factory Building	30
Office Building	60
General - Plant and Machinery	15 - on Single Shift
Plant and Machinery - Continuous Process Plant	25
Furniture and Fixtures	10
Electrical Installations and Equipment	10
Computers and Data Processing Units	3
Office Equipments	3 - 5
Motor Cars	8
Motor Cycles	10

AMIT DESAI & CO.
MUMBAI
Chartered Accountants

Freehold land is not depreciated. Leasehold land and Leasehold improvements are amortized over the period of the lease.
The Company, based on technical assessment made by technical expert and management estimate, depreciates certain items of property plant and equipment (as mentioned below) over estimated useful lives which are different from the useful lives prescribed under Schedule II to the Companies Act, 2013 (Schedule III). The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

- Mobile Phones are depreciated over the estimated useful life of 3 years, which is lower than the life prescribed in Schedule II.

- Tools are depreciated over the estimated useful life of 5 years, which is lower than the life prescribed in Schedule II.

The useful lives, residual values of each part of an item of property, plant and equipment and the depreciation methods are reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

Derecognition:

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the Derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

(e) INTANGIBLE ASSETS

Measurement at recognition:

Intangible assets arising on acquisition of business are measured at fair value as at date of acquisition. Internally generated intangibles including research cost are not capitalized and the related expenditure is recognized in the Statement of Profit and Loss in the period in which the expenditure is incurred.

Amortization:

Intangible Assets with finite lives are amortized on a Straight Line basis over the estimated useful economic life. The amortization expense on intangible assets with finite lives is recognized in the Statement of Profit and Loss.
The estimated useful life of intangible assets is mentioned below:

Category of Asset	Years
Computer Software	5

The amortization period and the amortization method for an intangible asset with finite useful life is reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

Derecognition:

The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognized in the Statement of Profit and Loss when the asset is derecognized.

(f) IMPAIRMENT

Assets that are subject to depreciation and amortization are reviewed for impairment, whenever events or changes in circumstances indicate that carrying amount may not be recoverable. Such circumstances include, though are not limited to, significant or sustained decline in revenues or earnings and material adverse changes in the economic environment.
An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit (CGU) exceeds its recoverable amount. The recoverable amount of an asset is the greater of its fair value less cost to sell and value in use. To calculate value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market rates and the risk specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the CGU to which the asset belongs. Fair value less cost to sell is the best estimate of the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal.

Impairment losses, if any, are recognized in the Statement of Profit and Loss and included in depreciation and amortization expense. Impairment losses are reversed in the Statement of Profit and Loss only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognized.

AMIT DESAI & CO.
MUMBAI
Chartered Accountants

(g) INVENTORY

Raw materials, work-in-progress, finished goods, packing materials, stores, spares, components, consumables and stock-in trade are carried at the lower of cost and net realizable value. However, materials and other items held for use in production of inventories are not written down below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost. The comparison of cost and net realizable value is made on an item-by item basis.

In determining the cost of raw materials, packing materials, stock-in-trade, stores, spares, components and consumables, FIFO method is used.

Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

Cost of finished goods and work-in-progress includes the cost of raw materials, packing materials, an appropriate share of fixed and variable production overheads, excise duty as applicable and other costs incurred in bringing the inventories to their present location and condition.

Fixed production overheads are allocated on the basis of normal capacity of production facilities.

(h) FOREIGN CURRENCY TRANSLATION

Initial Recognition:

On initial recognition, transactions in foreign currencies entered into by the Company are recorded in the functional currency (i.e. Indian Rupees), by applying to the foreign currency amount, the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss.

Measurement of foreign currency items at reporting date:

Foreign currency monetary items of the Company are translated at the closing exchange rates. Non-monetary items that are measured at historical cost in a foreign currency, are translated using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency, are translated using the exchange rates at the date when the fair value is measured.

Exchange differences arising out of these translations are recognized in the Statement of Profit and Loss.

(i) INCOME TAXES

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current tax:

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Income Tax Act, 1961.

Current tax is measured using tax rates that have been enacted by the end of reporting period for the amounts expected to be recovered from or paid to the taxation authorities.

Deferred tax:

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit under Income Tax Act, 1961.

Deferred tax liabilities are generally recognized for all taxable temporary differences. However, in case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax liabilities are not recognized. Also, for temporary differences if any that may arise from initial recognition of goodwill, deferred tax liabilities are not recognized.

Deferred tax assets are generally recognized for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary difference can be utilized. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefits of part or all of such deferred tax assets to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the

Presentation of current and deferred tax:

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income, in which case, the current and deferred tax income/expense are recognized in Other Comprehensive Income.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized

Minimum Alternate Tax (MAT)

Tax credit for Minimum Alternate Tax (MAT is recognised to the extent that it is probable that the unused tax credit can be utilised in the specified future period. MAT credit is recognised as deferred tax in financial statements.

AMIT DESAI & CO. MUMBAI Chartered Accountants

(j) PROVISIONS AND CONTINGENCIES

The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

(k) LEASE ACCOUNTING

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

In respect of assets taken on operating lease, lease rentals are recognized as an expense in the Statement of Profit and Loss on straight line basis over the lease term unless

(i) another systematic basis is more representative of the time pattern in which the benefit is derived from the leased asset; or

(ii) the payments to the lessor are structured to increase in the line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

(l) BORROWING COST

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs, if any, 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, if any. All other borrowing costs are expensed in the period in which they occur.

(m) EVENTS AFTER REPORTING DATE

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

(n) FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Initial recognition and measurement:

The Company recognizes a financial asset in its Balance Sheet when it becomes party to the contractual provisions of the instrument. All financial assets are recognized initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset.

Where the fair value of a financial asset at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognized as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).

In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognized as a gain or loss in the Statement of Profit and Loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial asset.

However, trade receivables that do not contain a significant financing component are measured at transaction price.

AMIT DESAI & CO.
MUMBAI
Chartered Accountants

Subsequent measurement:

For subsequent measurement, the Company classifies a financial asset in accordance with the below criteria:

i. The Company's business model for managing the financial asset and

ii. The contractual cash flow characteristics of the financial asset.

Based on the above criteria, the Company classifies its financial assets into the following categories:

(i) Financial assets measured at amortized cost

(ii) Financial assets measured at fair value through other comprehensive income (FVTOCI)

(iii) Financial assets measured at fair value through profit or loss (FVTPL)

i. Financial assets measured at amortized cost:

A financial asset is measured at the amortized cost if both the following conditions are met:

a) The Company's business model objective for managing the financial asset is to hold financial assets in order to collect contractual cash flows, and

b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category applies to cash and bank balances, trade receivables, loans and other financial assets of the Company (Refer Note 43 for further details). Such financial assets are subsequently measured at amortized cost using the effective interest method.

Under the effective interest method, the future cash receipts are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial asset over the relevant period of the financial asset to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as interest income over the relevant period of the financial asset. The same is included under other income in the Statement of Profit and Loss.

The amortized cost of a financial asset is also adjusted for loss allowance, if any.

ii. Financial assets measured at FVTOCI:

A financial asset is measured at FVTOCI if both of the following conditions are met:

a) The Company's business model objective for managing the financial asset is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category applies to certain investments in debt instruments. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Other Comprehensive Income (OCI). However, the Company recognizes interest income and impairment losses and its reversals in the Statement of Profit and Loss.

On Derecognition of such financial assets, cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of Profit and Loss.

iii. Financial assets measured at FVTPL:

A financial asset is measured at FVTPL unless it is measured at amortized cost or at FVTOCI as explained above. This is a residual category applied to all other investments of the Company excluding investments in subsidiary and associate companies, if any (Refer Note 43 for further details). Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Statement of Profit and Loss.

Derecognition:

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized (i.e. removed from the Company's Balance Sheet) when any of the following occurs:

i. The contractual rights to cash flows from the financial asset expires;

ii. The Company transfers its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset;

iii. The Company retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients under a 'pass-through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);

iv. The Company neither transfers nor retains substantially all risk and rewards of ownership and does not retain control over the financial asset.

In cases where Company has neither transferred nor retained substantially all of the risks and rewards of the financial asset, but retains control of the financial asset, the Company continues to recognize such financial asset to the extent of its continuing involvement in the financial asset. In that case, the Company also recognizes an associated liability. The financial asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

On Derecognition of a financial asset, (except as mentioned in ii above for financial assets measured at FVTOCI), the difference between the carrying amount and the consideration received is recognized in the Statement of Profit and Loss.

AMIT DESAI & CO. MUMBAI Chartered Accountants

Impairment of financial assets:

The Company applies expected credit losses (ECL) model for measurement and recognition of loss allowance on the following:

i. Trade receivables and lease receivables
ii. Financial assets measured at amortized cost (other than trade receivables and lease receivables)
iii. Financial assets measured at fair value through other comprehensive income (FVTOCI)

In case of trade receivables and lease receivables, the Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognized as loss allowance.

In case of other assets (listed as ii and iii above), the Company determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognized as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognized as loss allowance.

Subsequently, if the credit quality of the financial asset improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognizing impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss under the head 'Other expenses'.

Financial Liabilities

Initial recognition and measurement:

The Company recognizes a financial liability in its Balance Sheet when it becomes party to the contractual provisions of the instrument. All financial liabilities are recognized initially at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial liability.

Where the fair value of a financial liability at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognized as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).

In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognized as a gain or loss in the Statement of Profit and Loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial liability.

Subsequent measurement:

All financial liabilities of the Company are subsequently measured at amortized cost using the effective interest method (Refer Note 43 for further details).

Under the effective interest method, the future cash payments are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial liability over the relevant period of the financial liability to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as interest expense over the relevant period of the financial liability. The same is included under finance cost in the Statement of Profit and Loss.

Derecognition:

A financial liability is derecognized 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 Derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid is recognized in the Statement of Profit and Loss.

AMIT DESAI & CO. MUMBAI Chartered Accountants

(o) FAIR VALUE

The Company measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

Level 1 - quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 - inputs that are unobservable for the asset or liability

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

(p) EMPLOYEE BENEFITS

Short Term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

Post-Employment Benefits:

I. Defined Contribution Plans:

Contributions to defined contribution schemes such as employees' state insurance, labour welfare fund etc.

Recognition and measurement of defined contribution plans:

The Company recognizes contribution payable to a defined contribution plan as an expense in the Statement of Profit and Loss when the employees render services to the Company during the reporting period. If the contributions payable for services received from employees before the reporting date exceeds the contributions already paid, the deficit payable is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the reporting date, the excess is recognized as an asset to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund. The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

II. Defined Benefit Plans:

The Company also provides for retirement/post-retirement benefits in the form of gratuity.

Recognition and measurement of Defined Benefit plans:

The cost of providing defined benefits is determined using the Projected Unit Credit method with actuarial valuations being carried out at each reporting date. The defined benefit obligations recognized in the Balance Sheet represent the present value of the defined benefit obligations as reduced by the fair value of plan assets, if applicable. Any defined benefit asset (negative defined benefit obligations resulting from this calculation) is recognized representing the present value of available refunds and reductions in future contributions to the plan.

All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability / (asset) are recognized in the Statement of Profit and Loss. Remeasurements of the net defined benefit liability / (asset) comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability/asset), are recognized in Other Comprehensive Income. Such remeasurements are not reclassified to the Statement of Profit and Loss in the subsequent periods.

The entire liability towards gratuity is considered as current as the Company will contribute this amount to the gratuity fund within the next twelve months.

Other Long Term Employee Benefits:

Entitlements to annual leave are recognized when they accrue to employees. The Company determines the liability for such accumulated leaves using the Projected Unit Credit Method with actuarial valuations being carried out at each Balance Sheet date.

AMIT DESAI & CO.
MUMBAI
Chartered Accountants

(q) EARNINGS PER SHARE

Basic Earnings Per Share

Basic earnings per share is calculated by dividing the profit attributable to owners of the company by the weighted average number of equity shares outstanding during the financial year. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period.

Diluted Earnings per Share

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

(r) GOVERNMENT GRANTS AND SUBSIDIES

Recognition and Measurement:

The Company is entitled to subsidies from government in respect of manufacturing units located in specified regions. Such subsidies are measured at amounts receivable from the government which are non-refundable and are recognized as income when there is a reasonable assurance that the Company will comply with all necessary conditions attached to them. Income from subsidies is recognized on a systematic basis over the periods in which the related costs that are intended to be compensated by such subsidies are recognized.

The Company has received refundable government loans at below-market rate of interest which are accounted in accordance with the recognition and measurement principles of Ind AS 109, 'Financial Instruments'. The benefit of below-market rate of interest is measured as the difference between the initial carrying value of loan determined in accordance with Ind AS 109 and the proceeds received. It is recognized as income when there is a reasonable assurance that the Company will comply with all necessary conditions attached to the loans. Income from such benefit is recognized on a systematic basis over the period of the loan during which the Company recognizes interest expense corresponding to such loans.

Presentation:

Income from subsidies are presented on gross basis under Revenue from Operations. Income arising from below-market rate of interest loans are presented on gross basis under Other Income.

(s) GOVERNMENT GRANTS AND SUBSIDIES

Recognition and Measurement:

The Company is entitled to subsidies from government in respect of manufacturing units located in specified regions. Such subsidies are measured at amounts receivable from the government which are non-refundable and are recognized as income when there is a reasonable assurance that the Company will comply with all necessary conditions attached to them. Income from subsidies is recognized on a systematic basis over the periods in which the related costs that are intended to be compensated by such subsidies are recognized.

(t) INVESTMENT IN SUBSIDIARY AND ASSOCIATE COMPANIES

The Company has elected to recognize its investments in subsidiary and associate companies at cost in accordance with the option available in Ind AS 27, 'Separate Financial Statements'. The details of such investments are given in Note 4.
Impairment policy applicable on such investments is explained in note 2(f) above.

(u) CASH AND CASH EQUIVALENTS

Cash and Cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments.

AMIT DESAI & CO
MUMBAI
Chartered Accountants

(v) RECENT ACCOUNTING PRONOUNCEMENTS

Standards issued but not yet effective

In March 2018, the Ministry of Corporate Affairs (MCA) issued the Companies (Indian Accounting Standards) Amendment Rules, 2018, notifying Ind AS 115, Revenue from Contract with Customers, Appendix B to Ind AS 21, Foreign currency transactions and advance consideration and amendments to certain other standards. These amendments are in line with recent amendments made by International Accounting Standards Board(IASB). These amendments are applicable to the Company from 1st April, 2018. The Company will be adopting the amendments from their effective date.

a. Ind AS 115, Revenue from Contract with Customers:

Ind AS 115 supersedes Ind AS 11, Construction Contracts and Ind AS 18, Revenue. Ind AS 115 requires an entity to report information regarding nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with customers. The principle of Ind AS 115 is that an entity should recognize revenue that demonstrates the transfer of promised goods and services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standards can be applied either retrospectively to each prior reporting period presented or can be applied retrospectively with recognition of cumulative effect of contracts that are not completed contracts at the date of initial application of the standard.

Based on the preliminary assessment performed by the Company, the impact of application of the Standard is not expected to be material.

b. Appendix B to Ind AS 21, Foreign currency transactions and advance consideration:

The appendix clarifies that the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the asset, expense or income (or part of it) is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the payment of receipt of advance consideration towards such assets, expenses or income. If there are multiple payments or receipts in advance, then an entity must determine transaction date for each payment or receipts of advance consideration.

The impact of the Appendix on the financial statements, as assessed by the Company, is expected to be not material.

AMIT DESAI & CO
MUMBAI
Chartered Accountants

NOTES TO THE FINANCIALS STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

Note 3 : Property, Plant and Equipment

Rs. In '000

Particulars	Freehold Land	Building	Plant & Machineries	Furniture & Fixtures	Vehicles	Computers	Equipments	Total
Gross Carrying Amount (Cost/Deemed Cost)								
Deemend Cost As At April 1, 2016	10,945.43	28,181.40	396,757.68	6,617.58	2,237.50	4,421.07	758.49	449,919.14
Additions	-	-	13,310.86	180.30	-	207.40	20.50	13,719.06
Disposals / Adjustements	-	-	-	-	-	-	(1.49)	(1.49)
Transfer to Assets Held For Sale	(10,945.43)	(28,181.40)	-	-	-	-	-	(39,126.83)
Balance As At March 31, 2017	-	-	**410,068.53**	**6,797.88**	**2,237.50**	**4,628.47**	**777.49**	**424,509.87**
Accumulated Depreciation								
Balance As At April 1, 2016	-	14,432.35	258,685.19	5,431.57	852.70	4,177.52	22.22	283,601.55
Charge for the Year	-	1,053.95	8,872.67	202.83	193.00	163.86	73.71	10,560.02
Reverse Charge on Disposals	-	-	-	-	-	-	-	-
Transfer to Assets Held for Sale	-	(15,486.29)	-	-	-	-	-	(15,486.29)
Balance As At March 31, 2017	-	-	267,557.86	5,634.40	1,045.71	4,341.38	95.93	278,675.28
Net Carrying Amount As At April 1, 2016	**10,945.43**	**13,749.05**	**138,072.48**	**1,186.01**	**1,384.80**	**243.55**	**736.27**	**166,317.59**
Net Carrying Amount As At March 31, 2017	-	-	**142,510.67**	**1,163.48**	**1,191.79**	**287.09**	**681.57**	**145,834.60**

Rs. In '000

Particulars	Freehold Land	Building	Plant & Machineries	Furniture & Fixtures	Vehicles	Computers	Equipments	Total
Gross Carrying Amount (Cost/Deemed Cost)								
Deemed Cost As At April 1, 2017	-	-	410,068.53	6,797.88	2,237.50	4,628.47	777.49	424,509.87
Additions	-	-	15,023.86	86.30	-	-	-	15,110.16
Disposals / Adjustements	-	-	-	-	-	-	-	-
Balance As At March 31, 2018	-	-	**425,092.40**	**6,884.18**	**2,237.50**	**4,628.47**	**777.49**	**439,620.04**
Accumulated Depreciation								
Balance As At April 1, 2017	-	-	267,557.86	5,634.40	1,045.71	4,341.38	95.93	278,675.28
Charge for the Year	-	-	10,557.75	207.30	193.00	217.97	73.86	11,249.88
Reverse Charge on Disposals	-	-	-	-	-	-	-	-
Balance As At March 31, 2018	-	-	**278,115.61**	**5,841.70**	**1,238.71**	**4,559.35**	**169.79**	**289,925.15**
Net Carrying Amount As At April 1, 2017	-	-	**142,510.67**	**1,163.48**	**1,191.79**	**287.09**	**681.57**	**145,834.60**
Net Carrying Amount As At March 31, 2018	-	-	**146,976.79**	**1,042.48**	**998.79**	**69.12**	**607.71**	**149,694.88**

AMIT DESAI & CO. * MUMBAI * Chartered Accountants

Note 4: Intangible Assets

Rs. In '000

Particulars	Computer Software	Total
Gross Carrying Amount (Cost/Deemed Cost)		
Deemend Cost As At April 1, 2016	1,578.89	1,578.89
Additions	209.09	209.09
Disposals / Adjustements	-	-
Balance As At March 31, 2017	**1,787.98**	**1,787.98**
Additions	1,109.38	1,109.38
Disposals / Adjustements	-	-
Balance As At March 31, 2018	**2,897.37**	**2,897.37**
Accumulated Depreciation		
Balance As At April 1, 2016	1,273.90	1,273.90
Charge for the Year	153.06	153.06
Reverse Charge on Disposals	-	-
Balance As At March 31, 2017	**1,426.96**	**1,426.96**
Charge for the Year	221.96	221.96
Reverse Charge on Disposals	-	-
Balance As At March 31, 2018	**1,648.92**	**1,648.92**
Net Carrying Amount		
As At April 1, 2016	**304.99**	**304.99**
As At March 31, 2017	**361.02**	**361.02**
As At March 31, 2018	**1,248.45**	**1,248.45**

AMIT DESAI & CO.
MUMBAI
Chartered Accountants

MMG INDIA PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

Note 5: Other Financial Assets - Non Current

Rs. In '000

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unsecured, Considered Good			
Security Deposits	710.25	2,754.98	8,376.07
Total	**710.25**	**2,754.98**	**8,376.07**

Note 6: Non-Current Tax Assets (Net)

Rs. In '000

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Income Tax Receivables	2,259.70	2,180.97	1,998.31
Total	**2,259.70**	**2,180.97**	**1,998.31**

Note 7: Other Non-Current Assets

Rs. In '000

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Prepaid Financial Guarantee Commission	3,197.39	5,898.89	8,600.39
Total	**3,197.39**	**5,898.89**	**8,600.39**

Note 8: Inventories

Rs. In '000

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Raw Materials	23,652.80	18,888.37	8,018.65
Work-In-Progress	6,479.16	4,617.21	4,986.63
Finished Goods	21,951.73	24,687.83	25,467.54
Stores and Spares	9,390.89	6,222.87	1,706.89
Total	**61,474.59**	**54,416.28**	**40,179.71**

AMIT DESAI & CO.
MUMBAI
Chartered Accountants

Note 9: Trade Receivables

Rs. In '00

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unsecured, Considered Good	87,750.58	56,991.61	50,933.40
Unsecured, Considered Doubtful	1,007.50	61.55	1,192.13
Less: Allowance for Doubtful Debts	(1,007.50)	(61.55)	(1,192.13
Total	**87,750.58**	**56,991.61**	**50,933.40**

Note 10: Cash and Cash Equivalents

Rs. In '00

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Cash on Hand	34.67	36.36	83.40
Balances with Banks in Current Accounts	1,343.82	343.05	327.08
Deposits with Banks having Maturity Less Than 3 Months	-	-	532.91
Total	**1,378.50**	**379.41**	**943.38**

Note 11: Bank Balances Other Than Cash and Cash Equivalents

Rs. In '00

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Deposits with Banks Having Maturity More Than 3 Months But Less Than 12 Months*	2,234.97	12,738.49	14,474.12
Total	**2,234.97**	**12,738.49**	**14,474.12**

*Fixed Deposits have been pledged against borrowing from a bank or lien marked against bank guarantee.

Note 12: Other Financial Assets - Current

Rs. In '00

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Security Deposit	428.78	245.80	62.49
Accrued Interest Receivables	25.07	521.26	483.43
Other Receivables	-	56.68	13.36
Total	**453.85**	**823.73**	**559.28**

Note 13: Other Current Assets

Rs. In '00

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Balance With Statutory / Government Authorities	26,102.25	18,615.51	11,152.72
Advance to Creditors	798.02	272.87	2,424.89
Prepaid Expenses	337.56	259.71	191.99
Advance to Employees	33.13	20.94	111.89
Other Receivables	-	-	950.46
Prepaid Financial Guarantee Commission	2,701.50	2,701.50	2,701.50
Total	**29,972.46**	**21,870.52**	**17,533.46**

Note 14: Assets Classified as Held For Sale

Rs. In '00

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Immovable Properties Situated at Chennai	23,640.54	23,640.54	-
Total	**23,640.54**	**23,640.54**	**-**

AMIT DESAI & CO.
MUMBAI
Chartered Accountants

MMG INDIA PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

Note 15: Equity Share Capital

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	No. of Shares	Rs. In '000	No. of Shares	Rs. In '000	No. of Shares	Rs. In '000
Authorised:						
Equity Shares of Rs.10/- Each	15,000,000	150,000.00	15,000,000	150,000.00	15,000,000	150,000.00
Issued, Subscribed and Fully Paid-up:						
Equity Shares of Rs.10/- Each, Fully Paid-Up	13,865,870	138,658.70	13,865,870	138,658.70	13,865,870	138,658.70
Total	13,865,870	138,658.70	13,865,870	138,658.70	13,865,870	138,658.70

Terms & Rights Attached to Equity Shares

The Company has only one class of Equity Shares having a par value of Rs.10/- per share. Each holder of Equity Shares is entitled to one vote per Share. The Company declares and pays dividends in Indian Rupees. 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 preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the shareholders.

Reconciliation of the Equity Shares at the Beginning and End of the Reporting Period

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	No. of Shares	Rs. In '000	No. of Shares	Rs. In '000	No. of Shares	Rs. In '000
Balance at the Beginning of the Year	13,865,870	138,658.70	13,865,870	138,658.70	13,865,870	138,658.70
Issued During the Year	-	-	-	-	-	-
Brought Back During the Year	-	-	-	-	-	-
Balance at the End of the Year	13,865,870	138,658.70	13,865,870	138,658.70	13,865,870	138,658.70

Details of Equity Shareholders Holding More Than 5% Shares in the Company

Name of the Shareholder	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	No. of Shares	%	No. of Shares	%	No. of Shares	%
Delta Magnets Limited - Holding Company	13,865,870	100.00	13,865,870	100.00	13,865,870	100.00

AMIT DESAI & CO.
MUMBAI
Chartered Accountants

MMG INDIA PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

Note 16 : Other Equity

(Rs. in '000

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Retained Earnings			
Opening Balance	(164,435.86)	(123,549.53)	
(+) Net Profit During the Year	(53,176.22)	(40,575.34)	
(+) / (-) Other Comprehensive Income or Loss During the Year	166.62	(310.99)	
Closing Balance	(217,445.46)	(164,435.86)	(123,549.53
Deemed Equity			
Opening Balance	16,260.81	16,260.81	
(+) During the Year	-	-	
(-) During the Year	-	-	
Closing Balance	16,260.81	16,260.81	16,260.81
Total	**(201,184.66)**	**(148,175.05)**	**(107,288.72**

AMIT DESAI & CO. MUMBAI Chartered Accountants

MMG INDIA PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

Note 17: Borrowings - Non-Current

Rs. In '000

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Secured Borrowings:			
- From a Bank	64,303.04	57,761.16	71,672.77
[Outstanding balance as at Balance sheet date carry interest @ 14.05% p.a. (Floating) is repayable in 72 months (including moratorium period of 12 months) as per ballooning repayment schedule at monthly rests. Installment started from July, 2015.]			
- From a Financial Institution	201.94	455.18	689.72
(Outstanding Balance as at Balance sheet date carry floating interest @10.25% p.a., repayable in 60 months at monthly rests. Further, it is secured against hypothecation of Motor Vehicle)			
Total	**64,504.98**	**58,216.34**	**72,362.49**

Nature of Security

The said borrowings are secured by way of registered mortgage of immovable property situated at Chennai and exclusive charge by way of hypothecation on entire movable fixed assets & current assets of the Company, present and future. Further, extension of equitable mortgage of immovable property owned by Holding Company situated at Nashik. Also corporate guarantee is given by the Holding Company.

Note 18: Provisions - Non-Current

Rs. In '000

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Provision for Employee Benefits			
Gratuity (Funded) (Refer Note 32)	3,835.47	3,402.45	2,719.43
Total	**3,835.47**	**3,402.45**	**2,719.43**

Note 19: Borrowings - Current

Rs. In '000

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Loans Repayable on Demand			
- Cash Credit	39,949.00	30,849.58	16,945.79
[Repayable on demand and carry interest @ 11.40% p.a. (Floating). For details of securities refer note 4 (a)]			
- Buyer's Credit Facility	-	49,472.89	69,986.75
(Various buyer credits are repayable within one year from the date of credit facility and carries interest @ LIBOR + variable BPS. For details of securities refer note 4 (a)]			
- Inter Corporate Deposit and Loan from a Director	194,841.25	104,325.25	45,570.00
(Repayable on demand and carry interest @ 9.00% p.a.)			
Total	**234,790.24**	**184,647.72**	**132,502.55**

AMIT DESAI & CO.
MUMBAI
Chartered Accountants

Note 20: Trade Payables

Rs. In '000

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
- Micro, Small and Medium Enterprises	-	-	-
- Others	37,399.85	33,914.53	28,082.80
Total	**37,399.85**	**33,914.53**	**28,082.80**

Details of Dues to Micro, Small and Medium Enterprises as defined under the MSMED Act, 2006. The Company has sent letters to suppliers to confirm whether they are covered under the Micro, Small and Medium Enterprises Development Act, 2006 as well as whether they have filed required memorandum with the prescribed authorities. Out of the letters sent to the parties, some confirmations have been received till the date of finalisation of Balance Sheet. Based on the confirmations received, if any, the details of outstandings are as under:

Rs. In '000

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
The principal amount remaining unpaid at the end of the year	-	-	-
The Interest amount remaining unpaid at the end of the year	-	-	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	-	-	-

Note 21: Other Financial Liabilities - Current

Rs. In '000

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Current Maturities of Long-Term Borrowings	32,370.18	13,592.60	9,115.79
Interest Accrued and Due on Borrowings	22,022.79	8,671.65	2,735.29
Interest Accrued But Not Due on Borrowings	907.01	3,048.61	1,344.57
Payable to Employees	4,606.26	3,122.43	2,325.79
Payable for Capital Assets	-	2,853.12	-
Book Overdraft	-	-	84.39
Other Current Liabilities	-	-	3,382.22
Total	**59,906.24**	**31,288.42**	**18,988.06**

Note 22: Other Current Liabilities

Rs. In '000

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Duties & Taxes	7,829.28	11,730.87	2,507.28
Advance Received from Customers	19,465.51	19,830.14	28,063.13
Total	**27,294.79**	**31,561.01**	**30,570.41**

Note 23: Provisions - Current

Rs. In '000

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Provision for Employee Benefits:			
Leave Encashment (Unfunded) (Refer Note 32)	2,142.13	1,600.31	1,709.53
Total	**2,142.13**	**1,600.31**	**1,709.53**

AMIT DESAI & CO. MUMBAI Chartered Accountants

Note 24: Revenue from Operations

Rs. In '000

Particualrs	Year Ended 31 March, 2018	Year Ended 31 March, 2017
Sale of Products (Including Excise Duty)	203,275.49	172,638.19
Sale of Services	1,303.51	4,623.72
Total	**204,579.00**	**177,261.91**

Goods and Service Tax (GST) has been effected from July 1, 2017. Consequently excise duty, value added tax, service tax etc. have been replaced with GST. Until June 30, 2017 "Sale of products" included the amount of excise duty recovered on sale. With effect from July 1, 2017 sale of products excludes the amount of GST recovered. Accordingly, revenue from sale of products for the year ended March 31, 2018 is not comparable with that of the previous year. The following additional information is being provided to facilitate such understanding:

Rs. In '000

Particulars	Year Ended 31 March, 2018	Year Ended 31 March, 2017
Revenue from Operations (Sale of Products)	204,579.00	177,261.91
Less: Excise Duty	3,655.69	12,117.60
Revenue from Operations (Sale of Products) Excluding Excise Duty	**208,234.69**	**189,379.51**

Note 25: Other Income

Rs. In '000

Particualrs	Year Ended 31 March, 2018	Year Ended 31 March, 2017
Interest Income	499.83	1,903.56
Duty Draw Back Income	401.46	540.83
Exchange Rate Fluctuation	3,402.10	870.36
Excess Provision Written Back	-	237.75
Sundry Balances Written Back	5.56	370.63
Gain on Derecognition of Financial Asset	-	65.71
Miscellaneous Income	25.32	45.24
Total	**4,334.27**	**4,034.07**

Note 26: Cost of Materials Consumed

Rs. In '000

Particualrs	Year Ended 31 March, 2018	Year Ended 31 March, 2017
Opening Stock	18,888.37	8,018.65
Add: Purchases of Raw Materials	93,951.44	67,801.92
	112,839.81	75,820.57
Less: Closing Stock	(23,652.80)	(18,888.37)
Total	**89,187.01**	**56,932.20**

Note 27: Changes in Inventory of Finished Goods & Work-in-Progress

Rs. In '000

Particualrs		Year Ended 31 March, 2018	Year Ended 31 March, 2017
Stocks At the End:			
Finished Goods		21,951.73	24,687.83
Work-in-Progress		6,479.16	4,617.21
	(A)	28,430.89	29,305.04
Stocks At the Beginning:			
Finished Goods		24,687.83	25,467.54
Work-in-Progress		4,617.21	4,986.63
	(B)	29,305.05	30,454.17
Total	**(B) - (A)**	**874.15**	**1,149.13**

AMIT DESAI & CO. MUMBAI Chartered Accountants

Note 28: Employee Benefits Expense

Rs. In '000

Particualrs	Year Ended 31 March, 2018	Year Ended 31 March, 2017
Salaries and Wages	43,046.40	43,825.49
Contribution to Provident and Other Funds (Refer Note 32)	1,457.79	1,801.50
Contribution to Gratuity Fund and Leave Encashment (Refer Note 32)	1,293.87	739.59
Staff Welfare Expenses	1,470.90	1,472.40
Total	**47,268.96**	**47,838.98**

Note 29: Finance Costs

Rs. In '000

Particualrs	Year ended 31 March, 2018	Year ended 31 March, 2017
Interest Expenses	35,460.25	26,084.88
Other Borrowing Costs	942.75	1,417.12
Total	**36,402.99**	**27,502.01**

Note 30: Other Expenses

Rs. In '000

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
Consumption of Stores & Spares, Consumables and Packing Materials etc.	29,698.75	20,622.73
Job Work Chagres	1,891.32	2,914.74
Power and Fuel	21,027.06	22,107.08
Rates, Taxes and Water Charges	464.65	543.62
Repairs and Maintenance:		
- Plant & Machinery	2,670.72	2,838.03
- Building	52.90	41.17
- Others	100.47	-
Excise Duty Variation on Opening / Closing Stock of Finished Goods	(2,743.09)	(86.63)
Insurance Charges	225.71	282.35
Travelling & Conveyance Expenses	3,580.41	3,669.14
Freight Charges	5,005.63	5,190.39
Selling & Distribution cost	131.84	193.77
Provision for Doubtful Debts / Bad Debts	945.96	61.55
Lease Rent	3,072.95	2,788.30
Legal & Professional Fees	1,840.52	1,616.19
Miscellaneous Expenses	2,138.59	2,537.09
Prior Period expenses		
Payments to the Auditor:		
- As Auditor	150.00	50.00
- For Taxation Matters	-	-
- For Company Law Matters	0.58	-
	150.58	50.00
Total	**70,254.97**	**65,369.51**

AMIT DESAI & CO.
MUMBAI
Chartered Accountants

31 CONTINGENT LIABILITIES AND COMMITMENTS

(Rs in '000)

A	Contingent Liabilities	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
(a)	**Claims against the Company not acknowledged as debts (Excluding interest and penalty on the respective amount if any arrived upon the final outcome)**			
####	Sales Tax Liabilities - on account of non receipt of "C" Forms	1,056.14	3,837.98	5,187.82
####	TDS as per TRACES	1,375.52	1,361.11	1,335.96
####	Disputed ESIC Demands	-	89.69	89.69
####	Disputed Sales Tax Demands	11,443.23	11,668.05	224.82
(b)	**Guarantees & Securities**			
####	Outstanding Letters of Credit	8,229.38	7,076.24	3,418.21
	TOTAL	22,104.27	24,033.07	10,256.50

(Rs in '000)

B	Commitments	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
1	Estimated amount of contracts remaining to be executed on capital account and not provided for			
	- Towards Property, Plant and Equipment	-	1,397.60	-

32 EMPLOYEE BENEFITS

Brief Description of the Plans:

The Company has various schemes for employee benefits such as Provident Fund, ESIC, Gratuity and Leave Encashment. The Company's defined contribution plans are Provident Fund (in case of certain employees) and Employees State Insurance Fund (under the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952). The Company has no further obligation beyond making the contributions to such plans.

A. Define Benefit Plans:

The Company's defined benefit plans include Gratuity. The gratuity plan is governed by the Payment of Gratuity Act, 1972 under which an employee who has completed five years of service is entitled to specific benefits. The level of benefits provided depends on the member's length of service and salary at retirement age.

I. Principal Actuarial Assumptions Used:

Particulars	Funded	Funded	Funded
	2017-18	2016-17	2015-16
Discount Rate (per annum)	7.88%	7.26%	7.86%
Salary Escalation Rate	6.00%	6.00%	6.00%
Rate of Employee Turnover	5.00%	5.00%	5.00%
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Expected Rate of Return on Plan Assets (per annum)	N.A.	N.A.	N.A.

II. Expenses Recognised in Statement of Profit and Loss

(Rs. in '000)

Particulars	Funded	Funded
	2017-18	2016-17
Current Service Cost	411.16	388.89
Net Interest Cost	247.02	213.75
Past Service Cost	-	-
Total Expenses / (Income) Recognised in the Statement of Profit and Loss	658.18	602.63

The total expenses for the year are included in the 'Employee Benefits Expense" line item in the Statement of Profit & Loss.

III. Expenses Recognized in the Other Comprehensive Income (OCI)

(Rs. in '000)

Particulars	Funded	Funded
	2017-18	2016-17
Actuarial (Gains)/Losses on Obligation - Due to Changes in Financial Assumptions	(163.63)	173.06
Actuarial (Gains)/Losses on Obligation - Due to Experience Adjustment	(54.48)	283.51
Return on Plan Assets, Excluding Interest Income	(7.05)	(6.51)
Net (Income)/Expense For the Year Recognized in OCI	(225.16)	450.06

The remeasurement of the net defined benefit liability is included in other comprehensive income.

AMIT DESAI & CO. MUMBAI Chartered Accountants

IV. Movements in the Present Value of Defined Benefit Obligation are as Follows:

(Rs. in '000)

Particulars	2017-18	2016-17
Present Value of Defined Benefit Obligation at the Beginning of the Year	5,209.75	4,388.99
Interest Cost	378.23	344.98
Current Service Cost	411.16	388.89
Past Service Cost	-	-
Benefit Paid Directly by the Employer	-	(369.68)
Benefit Paid Directly From the Fund	-	-
Actuarial (Gains)/Losses on Obligation For the Period - Due to Changes in Financial Assumptions	(163.63)	173.06
Actuarial (Gains)/Losses on Obligation For the Period - Due to Experience Adjustment	(54.48)	283.51
Defined Benefit Obligation at the End of the Year	5,781.03	5,209.75

V. Amount Recognised in the Balance Sheet

(Rs. in '000)

Particulars	2017-18	2016-17
Present Value of Defined Benefit Obligation as at the End of the Year	(5,781.03)	(5,209.75)
Fair Value of Plan Assets at the end of the Year	1,945.56	1,807.30
Funded Status [Surplus/ (Deficit)]	(3,835.47)	(3,402.45)
Net Liability/(Asset) Recognised in the Balance Sheet	(3,835.47)	(3,402.45)

VI. Maturity Analysis of the Benefit Payments: From the Fund

(Rs. in '000)

Particulars	2017-18	2016-17
	From Fund	From Fund
Projected Benefits Payable in Future Years From the Date of Reporting		
1st Following Year	1,350.90	282.69
2nd Following Year	712.19	291.37
3rd Following Year	1,045.90	705.73
4th Following Year	220.80	1,422.97
5th Following Year	365.53	227.18
Sum of Years 6 To 10	3,101.67	2,384.09
Sum of Years 11 and above	2,353.23	3,278.30

The Plan typically to expose the Company to actuarial risk such as Interest Risk, Longevity Risk and Salary Risk;

a) Interest Risk:- A decrease in the bond interest rate will increase the plan liability.

b) Longevity Risk: The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

c) Salary Risk: The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan's participants will increase the plan's liability.

VII. Sensitivity Analysis

(Rs. in '000)

Particulars	2017-18	2016-17
Projected Benefits Payable in Future Years From the Date of Reporting	5,781.03	5,209.75
Impact of +1% Change in Rate of Discounting	(242.62)	(282.82)
Impact of -1% Change in Rate of Discounting	269.44	313.12
Impact of +1% Change in Rate of Salary Increase	271.78	313.93
Impact of -1% Change in Rate of Salary Increase	(248.94)	(288.60)
Impact of +1% Change in Rate of Employee Turnover	18.06	8.25
Impact of -1% Change in Rate of Employee Turnover	(20.80)	(10.00)

The above sensitivity analyses are based on change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

AMIT DESAI & CO. MUMBAI Chartered Accountants

B. Defined Contribution Plans

The Company also has certain defined contribution plans. The contributions are made to registered provident fund, Employee State Insurance Corporation and Labour Welfare Fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plans are as follows:

Charge to the Statement of Profit and Loss based on contributions:

(Rs. in '000)

Particulars	2017-18	2016-17
Employer's contribution to Regional Provident Fund Office	1,132.03	1,502.53
Employer's contribution to Employees' State Insurance	322.49	295.55
Employer's contribution to Labour Welfare Fund	3.28	3.42

C. Leave Obligations

The leave obligations cover the Company's liability for earned leave.
The amount of the provision of Rs. 2142.13 ('000) [31st March, 2017 Rs. 1600.31('000)] is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations.

(Rs. in '000)

Particulars	2017-18	2016-17
Current Service Cost	635.69	187.69
Total Expenses / (Income) Recognised in the Statement of Profit and Loss	635.69	187.69

33 INFORMATION IN ACCORDANCE WITH THE REQUIREMENTS OF IND AS 24 ON RELATED PARTY DISCLOSURES

(A) LIST OF RELATED PARTIES

(i) Holding Company:
Delta Magnets Limited (DML)

(ii) Companies under Common Control:
MagDev Limited (Magdev Limited)

(iii) Key Management Personnel's (KMP):
Mr. Dr. Ram H. Shroff (RHS) - Executive Vice Chairman & Managing Director
Mr. Mr. Javed Tapia (JT) - Independent Director
Dr. Vrajesh Udani (VU) - Independent Director
Mr. Darius Khambatta (DK) - Non-executive Director
Mr. Abhilash Sunny (AS) - Whole Time Director & Chief Financial Officer

(iv) Person haiving significant influence/control directly or indirectly:
Mr. Jaydev Mody (JM) - Chairman of the Holding Company

(v) Enterprises over which persons mentioned in (iii) and (iv) or their relatives above exercise significant influence/control directly or indirectly:
Aarti Management Consultancy Private Limited (AAMPL)
Aditi Management Consultancy Private Limited (ADMPL)

AMIT DESAI & CO.
MUMBAI
Chartered Accountants

MMG INDIA PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(B) DETAILS OF TRANSACTIONS CARRIED OUT WITH RELATED PARTIES

(Rs in '000)

Particulars	Holding Company and Companies Under Common Control		KMP or Enterprises over which Individuals mention in (iii) and (iv) or their relatives exercise significant influence/control directly or indirectly		Total	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Sale of Goods:						
Magdev Ltd	14,322.36	15,761.61	-	-	14,322.36	15,761.61
Sub Total	**14,322.36**	**15,761.61**	-	-	**14,322.36**	**15,761.61**
Job Work Income:						
DML	-	348.30	-	-	-	348.30
Sub Total	-	**348.30**	-	-	-	**348.30**
Loan Received:						
DML	43,149.00	11,955.25	-	-	43,149.00	11,955.25
A A M P L	-	-	61,500.00	42,200.00	61,500.00	42,200.00
A D M P L	-	-	8,000.00	-	8,000.00	-
Dr Ram Shroff	-	-	3,000.00	6,600.00	3,000.00	6,600.00
Sub Total	**43,149.00**	**11,955.25**	**72,500.00**	**48,800.00**	**115,649.00**	**60,755.25**
Repayment of Loan Taken						
DML	25,133.00	-	-	-	25,133.00	-
A A M P L	-	-	-	2,000.00	-	2,000.00
A D M P L	-	-	-	-	-	-
Dr Ram Shroff	-	-	-	-	-	-
Sub Total	**25,133.00**	-	-	**2,000.00**	**25,133.00**	**2,000.00**
Advance Received (Repaid) from Customer:						
Magdev Ltd	5,629.60	(10,621.36)	-	-	5,629.60	(10,621.36)
Sub Total	**5,629.60**	**(10,621.36)**	-	-	**5,629.60**	**(10,621.36)**
Interest Expenses						
DML	2,797.62	1,767.48	-	-	2,797.62	1,767.48
A A M P L	-	-	9,869.70	4,508.53	9,869.70	4,508.53
A D M P L	-	-	9.86	-	9.86	-
Dr Ram Shroff	-	-	845.51	45.39	845.51	45.39
Sub Total	**2,797.62**	**1,767.48**	**10,725.07**	**4,553.93**	**13,522.69**	**6,321.41**
Deposit Received Back:						
DML	-	6,612.00	-	-	-	6,612.00
Sub Total	-	**6,612.00**	-	-	-	**6,612.00**
Corporate Guarantee/Security Given						
M M G – I	-	-	-	-	-	-
Sub Total	-	-	-	-	-	-
Corporate Guarantee/Security Reversal:						
M M G – I	22,430.00	1,770.00	-	-	22,430.00	1,770.00
Sub Total	**22,430.00**	**1,770.00**	-	-	**22,430.00**	**1,770.00**
Purachse of Material						
DML	1,613.92	-	-	-	1,613.92	-
Sub Total	**1,613.92**	-	-	-	**1,613.92**	-
Rent Expenses						
DML	1,154.45	-	-	-	1,154.45	-
Sub Total	**1,154.45**	-	-	-	**1,154.45**	-

AMIT DESAI & CO.
MUMBAI
Chartered Accountants

MMG INDIA PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(Rs in '00

Particulars	Holding Company and Companies Under Common Control			KMP or Enterprises over which Individuals mention in (iii) and (iv) or their relatives exercise significant influence/control directly or indirectly			Total		
	31.03.2018	31.03.2017	01.04.2016	31.03.2018	31.03.2017	01.04.2016	31.03.2018	31.03.2017	01.04.201
Outstanding as at 31st March									
Loan Payable									
DML	44,341.25	26,235.25	14,370.00	-	-	-	44,341.25	26,235.25	14,370.0
A A M P L	-	-	-	132,900.00	74,100.00	31,200.00	132,900.00	71,400.00	31,200.0
A D M P L	-	-	-	8,000.00	-	-	8,000.00	-	-
R S	-	-	-	9,600.00	6,600.00	-	9,600.00	6,600.00	-
Sub Total	**44,341.25**	**26,235.25**	**14,370.00**	**150,500.00**	**80,700.00**	**31,200.00**	**194,841.25**	**104,235.25**	**45,570.0**
Advance Received from Customer:									
Magdev Ltd	21,336.91	15,707.31	26,328.67	-	-	-	21,336.91	15,707.31	26,328.6
Sub Total	**21,336.91**	**15,707.31**	**26,328.67**	**-**	**-**	**-**	**21,336.91**	**15,707.31**	**26,328.6**
Other Payable									
DML	-	30.27	3,382.22	-	-	-	-	30.27	3,382.2
Sub Total	**-**	**30.27**	**3,382.22**	**-**	**-**	**-**	**-**	**30.27**	**3,382.2**
Trade Payables									
DML	404.89	-	5,967.82	-	-	-	404.89	-	5,967.8
Sub Total	**404.89**	**-**	**5,967.82**	**-**	**-**	**-**	**404.89**	**-**	**5,967.8**
Trade Receivables									
DML	-	341.33	-	-	-	-	-	341.33	-
Sub Total	**-**	**341.33**	**-**	**-**	**-**	**-**	**-**	**341.33**	**-**
Interest Payable									
A A M P L	-	-	-	14,593.74	5,711.01	1,653.33	14,593.74	5,711.01	1,653.3
A D M P L	-	-	-	8.88	-	-	8.88	-	-
DML	5,180.12	2,662.26	1,071.53	-	-	-	5,180.12	2,662.26	1,071.5
R S	-	-	-	801.81	40.85	-	801.81	40.85	-
Sub Total	**5,180.12**	**2,662.26**	**1,071.53**	**15,404.42**	**5,751.86**	**1,653.33**	**20,584.54**	**8,414.12**	**2,724.8**
Corporate Guarantee/Security Taken									
DML	166,600.00	189,030.00	190,800.00	-	-	-	166,600.00	189,030.00	190,800.0
Sub Total	**166,600.00**	**189,030.00**	**190,800.00**	**-**	**-**	**-**	**166,600.00**	**189,030.00**	**190,800.0**
Deposit									
DML	-	-	6,612.00	-	-	-	-	-	6,612.0
Sub Total	**-**	**-**	**6,612.00**	**-**	**-**	**-**	**-**	**-**	**6,612.0**

AMIT DESAI & CO.
MUMBAI
Chartered Accountants

37 CREDIT RISK

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses financial reliability of customers and other counter parties, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

i) Actual or expected significant adverse changes in business;
ii) Actual or expected significant changes in the operating results of the counterparty,
iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,

The Company measures the expected credit loss of trade receivables and loan from individual customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, loss on collection of receivable is not material hence no additional provision considered.

Trade Receivables:

a) The ageing of trade receivables and expected credit loss analysis on these trade receivables is given in below table:

(Rs in '000)

Particulars	0-180	More than 180 Days	Total
As at 31 March 2018	77,214.11	10,536.47	87,750.58
As at 31 March 2017	52,039.06	4,952.55	56,991.61
As at 1 April 2016	48,291.28	2,642.12	50,933.40

b) Movement in provisions of doubtful debts

(Rs in '000)

Particulars	2017-18	2016-17
Opening provision	61.55	1,192.13
Add:- Additional provision made	945.96	61.55
Less:- Amount write off	-	(1,192.13)
Less:- Provision reversed	-	-
Closing provisions	1,007.50	61.55

AMIT DESAI & CO. MUMBAI Chartered Accountants

38 **Capital Risk Management**

a) The Company manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Company consists of net debt (borrowings as detailed in notes 17, 21 and 23 offset by cash and bank balances) and total equity of the Company.

The Company determines the amount of capital required on the basis of annual as well as long term operating plans and other strategic investment plans. The funding requirements are met through long-term and short-term borrowings. The Company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

(Rs in '000)

The capital components of the Company are as given below:	March 31, 2018	March 31, 2017	April 1, 2016
Total Equity	(62,525.96)	(9,516.35)	31,369.98
Current Borrowings	234,790.24	184,647.72	132,502.55
Non Current Borrowings	64,504.98	58,216.34	72,362.49
Current Maturities of Non Current Borrowings	32,370.18	13,592.60	9,115.79
Total Debt	331,665.40	256,456.66	213,980.83
Cash and Cash Equivalents	1,378.50	379.41	943.38
Other Bank Balances	2,234.97	12,738.49	14,474.12
Net Debt	328,051.93	243,338.77	198,563.33
Debt Equity Ratio	(5.25)	(25.57)	6.33

39 **Liquidity Risk**

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows.

(Rs in '000)

Maturities of Financial Liabilities	March 31, 2018		
	Upto 1 year	1 to 5 years	5 years & above
Borrowings	267,160.42	64,504.98	-
Trade Payables	37,399.85	-	-
Other Financial Liabilities	27,536.06	-	-
	332,096.33	**64,504.98**	-

(Rs in '000)

Maturities of Financial Liabilities	March 31, 2017		
	Upto 1 year	1 to 5 years	5 years & above
Borrowings	198,240.32	58,216.34	-
Trade Payables	33,914.53	-	-
Other Financial Liabilities	17,695.82	-	-
	249,850.67	**58,216.34**	-

(Rs in '000)

Maturities of Financial Liabilities	April 1, 2016		
	Upto 1 year	1 to 5 years	5 years & above
Borrowings	141,618.34	72,362.49	-
Trade Payables	28,082.80	-	-
Other Financial Liabilities	9,872.27	-	-
	179,573.41	**72,362.49**	-

AMIT DESAI & CO. MUMBAI Chartered Accountants

40 Interest Rate Risk & Sensitivity Analysis

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Group's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

The sensitivity analyses below have been determined based on the exposure to interest rates for assets and liabilities at the end of the reporting period. For floating rate assets and liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year and the rates are reset as per the applicable reset dates. The basis risk between various benchmarks used to reset the floating rate assets and liabilities has been considered to be insignificant.

If interest rates had been 100 basis points higher/lower and all other variables were held constant, the Company's Profit for the year would decrease/increase by amount as stated below.

(Rs in '000)

Particulars	Financial Liabilities	Change in Interest rate	Impact on Profit or Loss before tax for the year	
			Increase by 1%	decrease by 1%
As at 31 March 2018	331,665.40	1%	(3,316.65)	3,316.65
As at 31 March 2017	256,456.66	1%	(2,564.57)	2,564.57
As at 1 April 2016	213,980.83	1%	(2,139.81)	2,139.81

OTHER PRICE RISKS

The Company is not significantly exposed to equity price risks / other price risks.

AMIT DESAI & CO.
MUMBAI
Chartered Accountants

41 UNHEDGED FOREIGN CURRENCY (FC) EXPOSURE

The Foreign currency exposures that are not hedged by a derivative instrument or otherwise as at year end are given below:

(Rs in '000)

Particulars	Currency Name	March 31, 2018		March 31, 2017		April 1, 2016	
		In Foreign Currency	(Rs in '000)	In Foreign Currency	(Rs in '000)	In Foreign Currency	(Rs in '000)
Trade Receivables							
- Hedged by derivative or otherwise		-	-	-	-	-	-
- Not Hedged	USD	32,972.21	2,144.65	17,599.65	1,141.14	51,454.83	3,413.15
- Not Hedged	GBP	17,199.16	1,587.22	70,150.37	5,673.74	13,442.92	1,278.26
- Not Hedged	EURO	5,103.41	411.45	2,041.36	141.36	-	-
Total Assets		55,274.78	4,143.31	89,791.39	6,956.24	64,897.74	4,691.41
Trade Payables							
- Hedged by derivative or otherwise		-	-	-	-	-	-
- Not Hedged	USD	164,095.00	10,673.41	128,660.72	8,342.18	68,640.00	4,553.09
Foreign Currency Loan Payable							
- Hedged by derivative or otherwise		-	-	-	-	-	-
- Not Hedged	USD	-	-	763,016.00	49,472.89	1,055,083.60	69,986.75
Total Liabilities		164,095.00	10,673.41	891,676.72	57,815.07	1,123,723.60	74,539.85

Of the above, the Company is mainly exposed to USD. Hence the following table analyses the Company's Sensitivity to a 5% increase and a 5% decrease in the exchange rates of this currency against INR.

(Rs. in '000)

Currencies	Increase/Decrease	Total Assets in FC	Total Liabilities in FC	Change in exchange rate	Impact on Profit for the year before tax
USD	Increase by 5%	55,274.78	164,095.00	2,763.74	(8,204.75)
USD	Decrease by 5%	55,274.78	164,095.00	(2,763.74)	8,204.75

The Company is exposed to Currency Risk arising from its trade exposures and Capital receipt / payments denominated, in other than the Functional Currency. The Company has a detailed policy which includes setting of the recognition parameters, benchmark targets, the boundaries within which the treasury has to perform and also lays down the checks and controls to ensure the continuing success of the treasury function.

The Company has defined strategies for addressing the risks for each category of exposures (e.g. for imports, for loans, etc.). The centralised treasury function aggregates the foreign exchange exposure and takes prudent measures to hedge the exposure based on prevalent macro-economic conditions.

AMIT DESAI & CO. MUMBAI Chartered Accountants

MMG INDIA PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

42 Tax Expenses

(Rs in '000)

a) **Amount Recognised in the Statement of Profit or Loss**	**March 31, 2018**	**March 31, 2017**
Income tax		
In respect of the current year - MAT	-	-
Adjustments for Current Tax of Prior Periods	-	-
In respect of prior years	-	-
	-	-
Deferred tax		
In respect of Current year	2,973.89	248.83
In respect of MAT Credit Entitlement	-	-
Total income tax expense for the year	2,973.89	248.83

b) **Amount recognised in other comprehensive income**		
Deferred tax		
Arising on income and expenses recognised in other comprehensive income:		
Remeasurement of defined benefit obligation	(58.54)	139.07
Total income tax recognised in other comprehensive income	(58.54)	139.07

c) **The income tax expense for the year can be reconciled to the accounting profit as follows:**

(Rs in '000)

Particulars	March 31, 2018	March 31, 2017
Profit before tax after Exceptional Items	(50,202.33)	(40,326.51)
Applicable Tax Rate	26.00%	30.90%
Income Tax Expense Calculated at Applicable Tax Rate	(13,052.61)	(12,460.89)
Effect of not recognition of deferred tax asset on accumulated tax losses	13,052.61	12,460.89
Current Tax Provision (A)	-	-
Incremental Deferred Tax Liability on Account of Tangible and Intangible Assets	(3,032.43)	(109.76)
Deferred Tax on account of Remeasurment of Defined Benefit Obligation	58.54	(139.07)
MAT Credit Entitlement	-	
Deferred Tax Provision (B)	(2,973.89)	(248.83)
Tax Expenses Recognised in Statement of Profit and Loss (A+B)	(2,973.89)	(248.83)
Effective Tax Rate	5.92	0.62

d) **Deferred tax balances**

(Rs in '000)

Particulars	**March 31, 2018**	**March 31, 2017**	**April 1, 2016**
Deferred Tax Assets (Net)	17,978.94	17,978.94	17,978.94
MAT Credit Entitlement	2,868.00	2,868.00	2,868.00
Deferred Tax Liabilities (Net)	18,062.00	15,029.58	14,919.81
	2,784.94	5,817.36	5,927.13

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized.

AMIT DESAI & CO. MUMBAI Chartered Accountants

MMG INDIA PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

e) **Movement of tax expense during the year 2017-18**

(Rs in '000)

Particulars	Opening Balance	Recognised in Statement of Profit or Loss	Recognised in Other Comprehensive Income	Closing Balance
Deferred tax (liabilities)/assets in relation to:				
Expenses Deductible on Payment Basis	296.65	58.54	(58.54)	296.65
Unabsorbed Business Losses and Unabsorbed Depreciation	17,978.94	-	-	17,978.94
Property, Plant and Equipments	(15,029.58)	(3,032.43)	-	(18,062.00)
Minimum Alternate Taxes	2,868.00	-	-	2,868.00
Total	**6,114.02**	**(2,973.89)**	**(58.54)**	**3,081.59**

f) **Movement of tax expense during the year 2016-17**

(Rs in '000)

Particulars	Opening Balance	Recognised in Statement of Profit or Loss	Recognised in Other Comprehensive Income	Closing Balance
Deferred tax (liabilities)/assets in relation to:				
Expenses Deductible on Payment Basis	296.65	(139.07)	139.07	296.65
Unabsorbed Business Losses and Unabsorbed Depreciation	17,978.94	-	-	17,978.94
Property, Plant and Equipments	(14,919.81)	(109.76)	-	(15,029.58)
Minimum Alternate Taxes	2,868.00		-	2,868.00
Total	**6,223.78**	**(248.83)**	**139.07**	**6,114.02**

AMIT DESAI & CO. MUMBAI Chartered Accountants

34 EARNINGS PER SHARES (EPS)

Earnings Per Share is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Numbers used for calculating basic and diluted earnings per equity share are as stated below:

Particulars	2017-18	2016-17
Profit After Tax (Rs. in '000)	(53,176.22)	(40,575.34)
Weighted Average Number of Equity Shares used as Denominator for Calculating Basic Earnings per share (nos.)	13,865,870	13,865,870
Earnings Per Share - Basic (Rs.)	(3.84)	(2.93)

35 SEGMENT REPORTING

In accordance with Ind AS 108 'Operating Segment ', segment information has been given in the consolidated financial statements and therefore, no separate disclosure on segment information is given in these financial statements.

36 MAT Credit Entitlement

MAT Credit Entitlement of Rs.2,868.00 ('000) [Previous Year Rs.2,868.00 ('000)] is based on business projections of Company provided by Management, and the same have been relied upon by the Auditors.

AMIT DESAI & CO. MUMBAI Chartered Accountants

43 Fair Value Disclosures

(Rs in '000)

a)

Categories of Financial Instruments:	March 31, 2018			March 31, 2017			April 1, 2016		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial Assets									
Investments	-	-	156,055.46	-	-	156,055.46	-	-	156,055.46
Other Financial Assets - Non Current	-	-	4,503.17	-	-	6,064.97	-	-	5,442.67
Trade Receivables	-	-	53,964.72	-	-	52,473.01	-	-	56,105.91
Cash and Cash Equivalents	-	-	329.49	-	-	233.54	-	-	983.50
Other Bank Balances	-	-	1,787.74	-	-	270.26	-	-	160.57
Loans	-	-	44,620.75	-	-	26,582.54	-	-	14,699.00
Other Financial Assets - Current	-	-	6,056.14	-	-	3,246.11	-	-	4,923.92
	-	-	**267,317.48**	-	-	**244,925.90**	-	-	**238,371.03**
Financial Liabilities									
Borrowings - Non Current	-	-	62,493.13	-	-	54,746.50	-	-	48,560.14
Other Financial Liabilities - Non Current	-	-	-	-	-	-	-	-	5,579.53
Borrowings - Current	-	-	55,582.93	-	-	41,112.13	-	-	34,026.69
Trade Payables	-	-	41,114.10	-	-	38,156.10	-	-	27,702.23
Other Financial Liabilities - Current	-	-	8,347.87	-	-	7,795.67	-	-	7,171.82
	-	-	**167,538.03**	-	-	**141,810.41**	-	-	**123,040.42**

b) **Fair Value Hierarchy and Method of Valuation**

Except as detailed in the following table, the Company considers that the carrying amounts of financial instruments recognised in the financial statements approximate their fair values.

Level 1 : Quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: Input other than quoted prices included within level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).
The fair value of other financials assets and financial liabilities are approximate to their carrying values.

AMIT DESAI & CO. MUMBAI Chartered Accountants

44 FIRST TIME ADOPTION OF IND AS

These are the Company's first financial statements prepared in accordance with Ind AS. The Company has prepared the its opening balance sheet as per Ind AS as at April 01, 2016 ("transition date") by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from Previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities.

In preparing these financial statements, the Company has availed optional exemptions and mandatory exceptions in accordance with Ind AS 101 as explained below:

(a) Past Business Combinations

The Company has elected not to apply Ind AS 103 'Business Combinations' retrospectively to past business combinations that occurred before the transition date.

(b) Deemed Cost for Property, Plant and Equipment and Intangible Assets

While measuring the property, plant and equipment in accordance with Ind AS, the Company has elected to measure certain items of property, plant and equipment at the date of transition to Ind AS at its fair value and used that fair value as its deemed cost at transition date. The Company has elected to continue with the carrying value of all of its intangible assets recognised as at transition date measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

(c) Estimates

The Company's estimates in accordance with Ind ASs at the transition date are in consistent with estimates made for the same date in accordance with previous GAAP after adjustments to reflect any difference in accounting policies.

(d) Transition to Ind AS - Reconciliations

The following reconciliations provide the explanations and quantification of the differences arising from the transition from Previous GAAP to Ind AS in accordance with Ind AS 101:

I. Reconciliation of Equity as at 1st April, 2016 and as at 31st March, 2017.

II. Reconciliation of Statement of Profit and Loss for the year ended 31st March, 2017.

III. Adjustments to Statement of Cash Flows for the Year Ended 31st March, 2017.

Previous GAAP figures have been reclassified/regrouped wherever necessary to conform with financial statements prepared under Ind AS.

I. Reconciliation of Equity as at 1st April, 2016 and as at 31st March, 2017.

Rs. In '000

Particulars		Notes	31-Mar-17	01-Apr-16
Equity as per Previous GAAP	(A)		(13,105.01)	21,922.57
Nature of Adjustments:				
Deemed Equity Contribution and Income on Financial Guarantee Given by Holding Company		B	8,600.39	11,301.89
Other Ind AS Adjustments		C	(5,265.42)	(2,108.17)
Tax Impact of the Above Adjustments		D	253.69	253.69
Total effect of transition to Ind AS	(B)		3,588.66	9,447.41
Equity as per Ind AS	(A)+(B)		(9,516.35)	31,369.98

AMIT DESAI & CO. MUMBAI Chartered Accountants

MMG INDIA PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

II. Reconciliation of Statement of Profit and Loss for the year ended 31st March, 2017.

Rs. In '000

Particulars	Notes	Year Ended March 31, 2017
Net Profit as per Previous GAAP		**(35,026.20)**
Nature of Adjustments:		
Remeasurement of Defined Benefit Obligation - Recognised in Other Comprehensive Income	A	450.06
Income on financial guarantee contracts issued by the Company	B	(2,701.50)
Other Ind AS Adjustments	C	(3,158.63)
Tax Effects of Above Adjustments		(139.07)
Total effect of transition to Ind AS		(5,549.14)
Net Profit as per Ind AS		(40,575.34)
Other Comprehensive Income (Net of Tax)	D	(310.99)
Total Comprehensive Income /(Loss) as per Ind AS		**(40,886.33)**

III. Effect of Ind AS adoption on the Statement of Cash Flow for the year ended 31st March, 2017.

The Ind AS adjustments are either non cash adjustments or are regrouping among the cash flows from operating, investing and financing activities. Consequently, Ind AS adoption has no impact on the net cash flow for the year ended 31st March, 2017 as compared with the Previous GAAP.

Notes

A Under Ind AS, actuarial gains or losses on remeasurement of defined benefit obligation is recognised in other comprehensive income which was recognised in statement of profit and loss under previous GAAP.

B Under Ind AS the financial guarantees given on behalf of loans availed by subsidiaries are measured at fair value on the date on giving the guarantee and subsequently unwound over the period of guarantee given by way of income over the period of guarantee. Under previous GAAP, there was no accounting of financial guarantees given.

C Other adjustments includes reversal of gain/loss on foreign fluctuation of currency, rent expense recognised on Amortisation of security deposit (SD), interest income recognise on account of present value of SD, measurement of borrowing at amortised cost, reversal of depreciation on processing fee capitalised under previous GAAP, gain derecognition on financial assets under Ind AS.

D Under Ind AS, actuarial gains or losses on remeasurement of defined benefit obligation is recognised in other comprehensive income (including its tax effect) which was recognised in statement of profit and loss under previous GAAP.

AMIT DESAI & CO. MUMBAI Chartered Accountants

For and on behalf of the Board of Directors

Dr. Ram H. Shroff
(Director)
DIN: 00004865

Abhilash Sunny
(WTD & CFO)
DIN: 01985382

Mumbai:

18 MAY 2018

Annexure - 9 B

MMG INDIA PRIVATE LIMITED

Audited Financial Statements for the Year Ended 31st March, 2017

Amit Desai & Co
Chartered Accountants
43, Sunbeam Apartments
3A Pedder Road, Mumbai - 400 026
Email ID - amitdesaiandco@gmail.com

CERTIFIED TRUE COPY
MMG India Private Limited

Director

Amit Desai & Co

Chartered Accountants

43 Sunbeam Apartments,
3A Pedder Road, Mumbai 400 026,
Maharashtra, India.
Tel. No.: +91-022-23512240
93222 69386
E-mail : amitdesaiandco@gmail.com

INDEPENDENT AUDITOR'S REPORT

To the Members of MMG India Private Limited

Report on the Financial Statements

We have audited the accompanying financial statements of MMG India Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 and ensuring their operating effectiveness and the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

AMIT DESAI & CO. MUMBAI Chartered Accountants

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, its loss and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note No. 25 (L) to the financial statements with regard to MAT Credit Entitlement of Rs.2,868('000), which is based on the judgment of the management.

Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

(1) As required by the Companies (Auditors' 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 "Annexure 1", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

(2) As required by Section 143(3) of the Act, we report that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

AMIT DESAI & CO. MUMBAI Chartered Accountants

d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014;

e. On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 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, we give our separate Report in "Annexure 2";

g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 25 (A) on Contingent Liabilities to the Financial Statements;

   (ii) The Company did not have any long-term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise;

   (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

   (iv) The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the management - Refer Note 25(0).

For Amit Desai & Co
Chartered Accountants
ICAI Firm Reg. No.: 130710W

AMIT DESAI * Mumbai M. No. 32926 * CHARTERED ACCOUNTANTS

Andesai

(Amit N. Desai)
Partner
Membership No. 032926

AMIT DESAI & CO. * MUMBAI * Chartered Accountants

Mumbai: May 17, 2017

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of **MMG India Private Limited** on the financial statements for the year ended March 31, 2017]

(i)

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

(b) During the year, the fixed assets of the Company have been physically verified by the management and as informed, no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets.

(c) The title deeds of immovable properties recorded as fixed assets in the books of account of the Company are held in the name of the Company.

(ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. As informed, no material discrepancies were noticed on physical verification carried out during the year.

(iii) The Company has not granted unsecured loans to companies covered in the register maintained under Section 189 of the Act; hence the provisions of paragraph 3(iii) of the Order are not applicable to the Company.

(iv) Based on information and explanation given to us, the Company has complied with the provisions of Section 185 and 186 of the Act in respect of loans, investments, guarantees, and security.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the provisions of Sections 73 to 76 of the Act and the rules framed there under.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to rules prescribed by the Central Government for the maintenance of the cost records under Sub-Section (1) of Section 148 of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.

(vii)

(a) The Company is generally not regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, value added tax, custom duty, cess and any other material statutory dues applicable to it.

AMIT DESAI & CO. MUMBAI Chartered Accountants

According to the information and explanations given to us, no undisputed dues in respect of provident fund, employees' state insurance, income-tax, wealth-tax, duty of customs, duty of excise, cess and other material statutory dues which were outstanding, at the year end for a period of more than six months from the date they became payable except service tax, provident fund, sales tax (MVAT & CST). A statement showing arrears of outstanding statutory dues as at the last date of the financial year for a period more than six months is as under:

Name of the Statute	Nature of Dues	Amount (Rs. in '000)	Period to which the amount relates	Due Date	Paid Amount (Rs. in '000)	Date of Payment
Finance Act, 1994	Service Tax	578.12	April 2016 to August 2016	6th of the following month of the respective months	Nil	Not Paid
Finance Act, 1994	Service Tax	806.64	September 2015 to March 2016		Nil	Not Paid
Employees' Provident Funds & Miscellaneous Provisions Act, 1952	Provident Fund	373.26	March 2016 to August 2016	15th of the following month of the respective months	Nil	Not Paid
The Central Sales Tax, 1956	CST	306.62	April 2016 to June 2016	21 July, 2016	Nil	Not Paid
Maharashtra Value Added Tax Act, 2002	MVAT	176.51	April 2016 to June 2016	21 July, 2016	Nil	Not Paid

(b) According to the information and explanations given to us, there are no dues with respect to income tax, sales tax, service tax, value added tax, customs duty, excise duty, which have not been deposited on account of any dispute, except for the dues in relation to income tax, sales tax and ESIC as disclosed hereunder:

Name of the statute	Nature of dues	Amount (Rs. in '000)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	3637.10	Financial Year 2011-12	Rectification u/s. 154 is pending before the Assessing Officer
The Central Sales Tax, 1956	Sales Tax	224.82	Financial Year 2001-02	Sales Tax Appellant Tribunal, Chennai
The Central Sales Tax, 1956	Sales Tax	11443.23	Financial Year 2015-16	Appeal to be filed before Appellate Deputy Commissioner of Commercial Taxes, Chennai (East) Division
The Employee State Insurance, 1948	ESIC	89.69	April 1998 to September 1998	Principal Labour Court, Chennai

AMIT DESAI & CO.
MUMBAI
Chartered Accountants

(viii) According to the information and explanations given to us, the Company has defaulted in repayment of loans or borrowings to a bank as under:

Particulars	Amount of default as at the balance sheet date (Rs. In '000)	Period of default	Remarks, if any
RBL Bank Limited	2,552.01	March 2017	It is Interest Overdue which is Paid on 05/04/2017

The Company did not have any outstanding dues to financial institutions, Government or debenture holders.

(ix) According to the information and explanations given to us, the Company has not raised money by way of public issue offer and has not raised any term loans.

(x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.

(xi) As per the information and explanations given to us, Company has not paid/provided any managerial remuneration to any of the directors; therefore paragraph 3(xi) of the Order is not applicable to the Company

(xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of Paragraph 3(xii) of the Order are not applicable to the Company.

(xiii) As per the information and explanation given to us, all transactions entered into by the Company with the related parties are in compliance with 188 of Act, where applicable and the details have been disclosed in the financial statements etc., as required by the applicable accounting standards. Section 177 of the Act is not applicable to the Company.

(xiv) As informed, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, the provisions of paragraph 3(xiv) of the Order are not applicable to the Company.

(xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him during the year.

AMIT DESAI & CO.
MUMBAI
Chartered Accountants

(xvi) Based on the information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Amit Desai & Co
Chartered Accountants
ICAI Firm Reg. No. 130710W

(Amit N. Desai)
Partner
Membership No. 032926

Mumbai: May 17, 2017

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of MMG India Private Limited on the financial statements for the year ended March 31, 2017]

Report on the Internal Financial Controls over Financial Reporting 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 MMG India Private Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the 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 specified under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

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

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

AMIT DESAI & CO.
MUMBAI
Chartered Accountants

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, 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 ICAI.

For Amit Desai & Co
Chartered Accountants
ICAI Firm Reg. No.: 130710W

AMIT DESAI & CO. MUMBAI Chartered Accountants

AMIT DESAI Mumbai M. No. 32926 CHARTERED ACCOUNTANTS

(Amit N. Desai)
Partner
Membership No. 032926

Mumbai: May 17, 2017

MMG INDIA PRIVATE LIMITED
Balance Sheet As at 31st March, 2017

(Rupees in '000)

Particulars	Note No.	As at 31st March, 2017		As at 31st March, 2016	
I. EQUITY AND LIABILITIES					
Shareholder's Funds					
(a) Share Capital	2	138,658.70		138,658.70	
(b) Reserves And Surplus	3	(151,763.71)	(13,105.01)	(116,736.13)	21,922.57
Non-Current Liabilities					
(a) Long-Term Borrowings	4	59,479.11		74,190.77	
(b) Long-Term Provisions	5	3,786.88	63,265.98	3,162.99	77,353.76
Current Liabilities					
(a) Short-Term Borrowings	6	184,647.72		132,502.55	
(b) Trade Payables	7	33,914.53		28,082.80	
(c) Other Current Liabilities	8	58,857.62		48,353.31	
(d) Short-Term Provisions	9	1,215.88	278,635.75	1,265.98	210,204.64
Total			328,796.71		309,480.97
II.ASSETS					
Non-Current Assets					
(a) Property, Plant and Equipment	10 (A)	148,372.35		168,966.88	
(b) Intangible Assets	10 (B)	361.02		304.99	
(c) Capital Work in Progress	10 (C)	1,109.38		1,860.77	
		149,842.76		171,132.64	
(d) Deferred Tax Assets (Net)	11	2,992.33		3,102.09	
(e) Long-Term Loans and Advances	12	5,622.97	158,458.06	12,276.53	186,511.26
Current Assets					
(a) Inventories	13	54,416.28		40,179.71	
(b) Trade Receivables	14	56,991.61		50,933.40	
(c) Cash and Bank Balances	15	13,117.89		15,417.50	
(d) Short-Term Loans and Advances	16	21,594.40		15,942.30	
(e) Other Current Assets	17	24,218.48	170,338.65	496.79	122,969.71
Total			328,796.71		309,480.97
Significant Accounting Policies and Notes on Financial Statements	1 to 25				

As Per Our Report of Even Date
For Amit Desai & Co
Chartered Accountants
ICAI Firm Reg. No. 130710W

AMIT DESAI & CO. MUMBAI Chartered Accountants

Andesai

(Amit N. Desai)
Partner
Membership No. 032926

AMIT DESAI Mumbai M. No. 32926 CHARTERED ACCOUNTANTS

Mumbai: 17th May, 2017

For and on behalf of Board of Directors of
MMG India Private Limited

Dr. Ram H. Shroff
(Director)
DIN: 00004865

Abhilash Sunny
(WTD & CFO)
DIN: 01985382

MMG INDIA PRIVATE LIMITED

Statement of Profit And Loss For The Year Ended 31st March, 2017

(Rupees in '000)

Particulars	Note No.	Year Ended 31st March, 2017	Year Ended 31st March, 2016
Income:			
Revenue From Operations (Gross)	18	177,261.91	163,659.79
Less: Excise Duty		(12,117.60)	(9,802.01)
Revenue From Operations (Net)		165,144.32	153,857.78
Other Income	19	6,169.06	2,989.71
Total Revenue		**171,313.38**	**156,847.49**
Expenses:			
Cost of Raw Materials Consumed	20	56,932.20	41,546.53
Changes In Inventories Of Finished Goods, Work-in-Progress And Stock-in-Trade	21	1,149.13	3,606.83
Employee Benefit Expense	22	48,289.04	44,681.88
Finance Costs	23	24,234.98	22,605.53
Depreciation & Amortization Expense	10	10,774.25	9,419.76
Other Expenses	24	64,739.85	69,319.88
Total Expenses		**206,119.46**	**191,180.40**
Profit/(Loss) Before Exceptional and Extraordinary Items and Tax		(34,806.08)	(34,332.92)
Exceptional Items		-	27,384.75
Profit/(Loss) Before Extraordinary Items and Tax		(34,806.08)	(61,717.66)
Extraordinary Items		-	-
Profit/(Loss) Before Tax		**(34,806.08)**	**(61,717.66)**
Tax Expense:			
- Current Tax		-	-
- Deferred Tax		109.76	10,072.63
Profit / (Loss) After Tax		**(34,915.84)**	**(71,790.29)**
Prior Period Items		110.36	1,706.65
Profit/(Loss) For The Year		**(35,026.20)**	**(73,496.94)**
No. of Shares Outstanding At The End Of The Period		13,865,870	13,865,870
Earning Per Equity Share: (Face Value of Rs.10/- Each)			
Basic & Diluted		(2.53)	(5.30)
Significant Accounting Policies and Notes on Financial Statements	1 to 25		

As Per Our Report of Even Date
For Amit Desai & Co
Chartered Accountants
ICAI Firm Reg. No. 130710W

AMIT DESAI & CO. MUMBAI Chartered Accountants

(Amit N. Desai)
Partner
Membership No. 032926

AMIT DESAI Mumbai M. No. 32926 CHARTERED ACCOUNTANTS

Mumbai: 17th May, 2017

For and on behalf of Board of Directors of
MMG India Private Limited

Dr. Ram H. Shroff
(Director)
DIN: 00004865

Abhilash Sunny
(WTD & CFO)
DIN: 01985382

MMG INDIA PRIVATE LIMITED

Cash Flow Statement For the Year Ended 31st March, 2017

(Rupees in '000)

S. No.	Particulars		Year Ended 31st March, 2017	Year Ended 31st March, 2016
A	**CASH FLOW FROM OPERATING ACTIVITIES**			
	Net Profit/(Loss) before Tax and Extraordinary Items		(34,806.08)	(61,717.66)
	Adjustments For :			
	Depreciation & Amortization Expense		10,774.25	9,419.76
	Employee Benefits Expense		1,189.65	3,495.15
	Finance Costs		24,234.98	22,605.53
	Provision for Doubtful Debts/(Excess Written Back)		61.55	254.80
	Sundry Balance Written Off/(Excess Written Back)		(370.63)	(58.31)
	Prior Period Items		(110.36)	(1,706.65)
	Interest Income		(1,317.61)	(1,467.44)
	Operating Profit/(Loss) Before Working Capital Changes		**(344.25)**	**(29,174.82)**
	Adjustments For Working Capital :			
	Trade and Other Receivables		(4,646.16)	(8,304.44)
	Inventories		(14,236.56)	4,723.13
	Trade Payables and Other Liabilities		15,720.30	4,459.82
	Cash Generated From Operations		(3,506.67)	(28,296.31)
	Taxes Paid		(182.66)	(425.93)
	NET CASH FLOW FROM/(USED IN) OPERATING ACTIVITES	**(A)**	**(3,689.33)**	**(28,722.24)**
B	**CASH FLOW FROM INVESTING ACTIVITIES**			
	Purchase of Fixed Assets , Capital Work in Progress		(13,126.40)	(7,814.80)
	Investments in Bank Deposits / Proceeds on Maturity		1,735.63	(1,439.12)
	Interest income		1,317.61	1,467.44
	NET CASH USED IN INVESTING ACTIVITIES	**(B)**	**(10,073.16)**	**(7,786.48)**
C	**CASH FLOW FROM FINANCING ACTIVITIES**			
	Interest Paid		(24,234.98)	(22,605.53)
	Proceeding / (Repayment) of Short Term Borrowing		52,145.17	49,930.71
	Proceeding / (Repayment) of Long Term Borrowing		(14,711.67)	9,700.13
	NET CASH USED IN FINANCING ACTIVITES	**(C)**	**13,198.52**	**37,025.31**
	NET CHANGES IN CASH AND CASH EQUIVALENTS	**(A + B + C)**	(563.98)	516.60
	CASH AND CASH EQUIVALENTS - OPENING BALANCE		943.38	426.78
	CASH AND CASH EQUIVALENTS - CLOSING BALANCE		379.41	943.38
	Cash and Cash Equivalents Includes:			
	- Cash on Hand		36.36	83.40
	- Balances with Banks - In Current Accounts		343.05	327.08
	Deposit Account			
	- Fixed Deposit with maturity less than 3 months		-	532.91

Notes:

1) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard - 3 on Cash Flow Statement.

2) Previous year's figures have been regrouped or rearranged wherever necessary to conform to the current year's classifications.

As Per Our Report of Even Date
For Amit Desai & Co
Chartered Accountants
ICAI Firm Reg. No. 130710W

AMIT DESAI & CO. MUMBAI Chartered Accountants

Andesai

AMIT DESAI Mumbai M. No. 32926 ACCOUNTANTS

(Amit N. Desai)
Partner
Membership No. 032926

For and on behalf of the Board of Directors
MMG India Private Limited

Dr. Ram H. Shroff
(Director)
DIN: 00004865

Abhilash Sunny
(WTD & CFO)
DIN: 01985382

Mumbai: 17th May, 2017

2	Share Capital	As at 31st March, 2017		As at 31st March, 2016	
		No. of Shares	Rupees in '000	No. of Shares	Rupees in '000
	Authorised:				
	Equity Shares of Rs. 10/- Each	15,000,000	150,000.00	15,000,000	150,000.00
	Total	15,000,000	150,000.00	15,000,000	150,000.00
	Issued, Subscribed And Fully Paid-Up:				
	Equity Shares of Rs. 10/- Each	13,865,870	138,658.70	13,865,870	138,658.70
	Total	13,865,870	138,658.70	13,865,870	138,658.70

(a) Reconciliation of the Equity Shares at the Beginning and at the End of the Reporting Period:

Particulars	As at 31st March, 2017		As at 31st March, 2016	
	No. of Shares	Rupees in '000	No. of Shares	Rupees in '000
At the Beginning of the Year	13,865,870	138,658.70	13,865,870	138,658.70
Issued During the Year	-	-	-	-
Bought Back During the Year	-	-	-	-
Outstanding at the End of the Year	13,865,870	138,658.70	13,865,870	138,658.70

(b) Terms/Rights Attached to Equity Shares:

The Company has only one class of Equity Shares having a par value of Rs. 10/- per share. Each holder of Equity Shares is entitled to 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 preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the shareholders.

(c) Details of Equity Shareholders Holding More Than 5 % Shares in the Company:

Particulars	As at 31st March, 2017		As at 31st March, 2016	
	No. of Shares Held	% of Holding	No. of Shares Held	% of Holding
Delta Magnets Limited - Holding Company	13,865,870	100.00	13,865,870	100.00

(Rupees in '000)

3	Reserves & Surplus	As at 31st March, 2017	As at 31st March, 2016
	Surplus / (Deficit) in Statement of Profit & Loss:		
	Opening Balance	(116,736.13)	(43,239.19)
	(+) / (-) : Net Profit /(Net Loss) During the Year	(35,026.20)	(73,496.94)
	Total	(151,763.71)	(116,736.13)

(Rupees in '000)

4	Long-Term Borrowings	As at 31st March, 2017	As at 31st March, 2016
	Secured Borrowings:		
	-From a Bank	59,023.92	73,501.05
	[Outstanding balance as at Balance sheet date carry interest @ 14.05% p.a. (Floating) is repayable in 72 months (including moratorium period of 12 months) as per ballooning repayment schedule at monthly rests. Installment started from July, 2015. For details of securities refer note 4 (a)]		
	-From a Financial Institution	455.18	689.72
	(Outstanding Balance as at Balance sheet date carry floating interest @10.25% p.a., repayable in 60 months at monthly rests. Further, it is secured against hypothecation of Motor Vehicle)		
	Total	59,479.11	74,190.77

Note:

4 (a) The said borrowings are secured by way of registered mortgage of immovable property situated at Chennai and exclusive charge by way of hypothecation on entire movable fixed assets & current assets of the Company, present and future. Further, extension of equitable mortgage of immovable property owned by Holding Company situated at Nashik. Also corporate guarantee is given by the Holding Company.

(Rupees in '000)

5	Long Term Provisions	As at 31st March, 2017	As at 31st March, 2016
	Provision for Employee Benefits:		
	- Gratuity (Funded)	2,461.45	1,730.26
	- Leave Encashment (Unfunded)	1,325.43	1,432.73
	Total	3,786.88	3,162.99

AMIT DESAI & CO. MUMBAI Chartered Accountants

(Rupees in '000)

6	Short Term Borrowings	As at 31st March, 2017	As at 31st March, 2016
	Loans Repayable on Demand From Banks Bank 2 - Cash Credit [Repayable on demand and carry interest @ 14.05% p.a. (Floating). For details of securities refer note 4 (a)]	30,849.58	16,945.79
	Buyer's Credit Facility (Various buyer credits are repayable within one year from the date of credit facility and carries interest @ LIBOR + variable BPS. For details of securities refer note 4 (a)]	49,472.89	69,986.75
	Unsecured Loan Inter Corporate Deposit (Repayable on demand and carry interest @9.00% p.a.)	104,325.25	45,570.00
	Total	184,647.72	132,502.55

(Rupees in '000)

7	Trade Payables	As at 31st March, 2017	As at 31st March, 2016
	Micro, Small and Medium Enterprises	-	-
	Others	33,914.53	28,082.80
	Total	33,914.53	28,082.80

Details of dues to Micro and Small Enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006:
The Company has sent letters to suppliers and vendors to confirm whether they are covered under Micro, Small and Medium Enterprises Development Act, 2006 as well as whether they have file required memorandum with the prescribed authorities. Out of the letters sent to the parties, some confirmations have been received till the date of finalization of Balance Sheet. Based on the confirmations received the details of outstanding are as under:

(Rupees in '000)

Particulars	As at 31st March, 2017	As at 31st March, 2016
The principal amount remaining unpaid at the end of the year.	-	-
The interest amount remaining unpaid at the end of the year.	-	-
The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act 2006 along with the amount of the payment made to the supplier beyond the appointed day during the year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act 2006.	-	-

(Rupees in '000)

8	Other Current Liabilities	As at 31st March, 2017	As at 31st March, 2016
	Duties & Taxes	11,730.87	2,507.28
	Advance from Customers	15,838.33	26,857.97
	Employee Liabilities	3,122.43	2,325.79
	Payable for Capital Assets	2,853.12	-
	Current Maturities of Long-Term Borrowings	13,592.60	9,115.79
	Interest Accrued & Due on Borrowings	8,671.65	2,735.29
	Interest Accrued But Not Due on Borrowings	3,048.61	1,344.57
	Book Overdraft	-	84.39
	Other Current Liabilities	-	3,382.22
	Total	58,857.62	48,353.31

(Rupees in '000)

9	Short Term Provisions	As at 31st March, 2017	As at 31st March, 2016
	Provision for Employee Benefits:		
	- Gratuity (Funded)	941.00	989.18
	- Leave Encashment (Unfunded)	274.88	276.80
	Total	1,215.88	1,265.98

AMIT DESAI & CO.
MUMBAI
Chartered Accountants

11 Deferred Tax

In accordance with Accounting Standard 22 "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, the Company has accounted for Deferred Tax during the year.

The components of Deferred Tax Assets to the extent recognized and Deferred Tax Liabilities as on 31st March, 2017 are as follows:

(Rupees in '000)

Net Deferred Tax Liabilities / (Assets)		As at 31st March, 2017	As at 31st March, 2016
Deferred Tax Liability arising on account of:			
Difference between Book and Tax Depreciation		14,986.61	14,876.85
	Total (A)	14,986.61	14,876.85
Deferred Tax Asset arising on account of:			
Business Loss & Expenses Disallowed under the Income Tax Act, 1961		17,978.94	17,978.94
	Total (B)	17,978.94	17,978.94
Net Deferred Tax Liabilities / (Assets)	(A - B)	(2,992.33)	(3,102.09)

(Rupees in '000)

12	Long-Term Loans & Advances	As at 31st March, 2017	As at 31st March, 2016
	Security Deposits (Unsecured, Considered Good)		
	- With Public Bodies	2,054.98	2,796.53
	- With Others	700.00	6,612.00
	Mat Credit Entitlement	2,868.00	2,868.00
	Total	5,622.97	12,276.53

(Rupees in '000)

13	Inventories	As at 31st March, 2017	As at 31st March, 2016
	Raw Materials	18,888.37	8,018.65
	Work-in-Progress	4,617.21	4,986.63
	Finished Goods	24,687.83	25,467.54
	Stores and Spares	6,222.87	1,706.89
	Total	54,416.28	40,179.71

(Rupees in '000)

14	Trade Receivables (Unsecured, Unless Otherwise Stated)	As at 31st March, 2017	As at 31st March, 2016
	Trade Receivables Outstanding for a period exceeding six months from the date they were due for payment:		
	Considered Good	4,952.55	2,642.12
	Considered Doubtful	61.55	1,192.13
	Less: Provision for Doubtful Debts	(61.55)	(1,192.13)
	Other Trade Receivables:		
	Considered Good	52,039.06	48,291.29
	Total	56,991.61	50,933.40

Provision for Doubtful Debts

The Company periodically evaluate all customers dues, the need for provision is amended based on various factors including collectability of specific dues, risk, perceptions of the industry in which customer operate, general economy factors.

(Rupees in '000)

15	Cash and Bank Balance	As at 31st March, 2017	As at 31st March, 2016
	Cash and Cash Equivalents:		
	Balances with Banks in Current Accounts	343.05	327.08
	Cash on Hand	36.36	83.40
	Fixed Deposits with maturity less than 3 months	-	532.91
	Other Bank Balance:		
	Bank Deposits		
	Fixed Deposits with maturity more than 3 months but less than 12 months	12,738.49	14,474.12
	Total	13,117.89	15,417.50

AMIT DESAI & CO. MUMBAI Chartered Accountants

(Rupees in '000)

16	Short Term Loans and Advances (Unsecured, Considered Good Unless Otherwise Stated)	As at 31st March, 2017	As at 31st March, 2016
	Other Loans and Advances:		
	Balance with Statutory Authorities	18,615.51	11,152.72
	Advance Tax (Net of Provision for Taxes)	2,180.97	1,998.31
	Security Deposit	245.80	62.49
	Advance to Employees	19.55	111.89
	Advances to Suppliers	272.87	2,424.89
	Prepaid Expenses	259.71	191.99
	Total	21,594.40	15,942.30

(Rupees in '000)

17	Other Current Assets	As at 31st March, 2017	As at 31st March, 2016
	Interest accrued on Fixed Deposits	185.15	318.88
	Interest Receivable on EB Deposit	336.11	164.55
	Assets Held for Sale	23,640.54	-
	Other Receivable	56.68	13.36
	Total	24,218.48	496.79

AMIT DESAI & CO.
MUMBAI
Chartered Accountants

(Rupees in '000)

18	Revenue From Operations (Gross)	Year Ended 31st March, 2017	Year Ended 31st March, 2016
	Sale of Products	172,638.19	153,199.01
	Sale of Services	4,623.72	10,460.78
	Total	**177,261.91**	**163,659.79**

(Rupees in '000)

19	Other Income	Year Ended 31st March, 2017	Year Ended 31st March, 2016
	Interest Income	1,317.61	1,467.44
	Duty Draw Back Income	540.83	667.65
	Exchange Rate Fluctuation Gain	3,657.01	-
	Excess Provision Written Back	237.75	429.66
	Miscellaneous Income	45.24	366.65
	Sundry Balance Written Back	370.63	58.31
	Total	**6,169.06**	**2,989.71**

(Rupees in '000)

20	Cost of Materials Consumed	Year Ended 31st March, 2017	Year Ended 31st March, 2016
	Opening Stocks	8,018.65	8,183.88
	Add: Purchases	67,801.92	41,381.30
		75,820.57	49,565.18
	Less: Closing Stocks	(18,888.37)	(8,018.65)
	Total	**56,932.20**	**41,546.53**

(Rupees in '000)

21	Change in Stock of Finished Goods & Work-in-Progress	Year Ended 31st March, 2017	Year Ended 31st March, 2016
	Stocks At the End		
	Finished Goods	24,687.83	25,467.54
	Work-in-Progress	4,617.21	4,986.63
		29,305.04	30,454.17
	Stocks At the Beginning		
	Finished Goods	25,467.54	25,803.43
	Work-in-Progress	4,986.63	8,257.57
		30,454.17	34,061.00
	Total (B) - (A)	**1,149.13**	**3,606.83**

(Rupees in '000)

22	Employee Benefits Expense	Year Ended 31st March, 2017	Year Ended 31st March, 2016
	Salaries and Wages	43,825.49	36,739.27
	Contribution to Provident and Other Funds	1,801.50	2,243.84
	Contribution to Gratuity Fund and Leave Encashment	1,189.65	3,495.15
	Staff Welfare Expenses	1,472.40	2,203.62
	Total	**48,289.04**	**44,681.88**

AMIT DESAI & CO. MUMBAI Chartered Accountants

(Rupees in '000)

23	Finance Costs	Year Ended 31st March, 2017	Year Ended 31st March, 2016
	Interest Expenses	22,817.86	20,409.69
	Other Borrowing Costs	1,417.12	2,195.83
	Total	**24,234.98**	**22,605.53**

(Rupees in '000)

24	Other Expenses	Year Ended 31st March, 2017	Year Ended 31st March, 2016
	Consumption of Stores, Spares, Consumables, Packing Materials etc.	20,622.73	16,828.78
	Job Work Charges	2,914.74	6,673.58
	Production Over Head	32.00	824.06
	Power and Fuel	22,107.08	22,526.47
	Rates, Taxes and Water Charges	543.62	936.91
	Repairs and Maintenance:		
	- Plant & Machinery	2,838.03	2,010.16
	- Building	41.17	34.28
	Excise Duty on increase / decrease of Finished Goods	(86.63)	6.35
	Insurance Charges	282.35	166.74
	Travelling & Conveyance Expenses	3,669.14	3,947.00
	Freight Charges	5,190.39	3,383.39
	Selling & Distribution cost	193.77	194.45
	Net Foreign Currency Loss	-	1,091.98
	Lease Rent	2,218.65	5,950.36
	Provision for Doubtful Debts	61.55	254.80
	Miscellaneous Expenses	2,445.09	1,914.56
	Remuneration to Auditors:		
	- For Audit Fees	50.00	5.00
	- For Taxation Matters	-	-
	- For Company Law Matters	-	-
	- For Reimbursement of Expenses	-	-
	Legal & Professional Fees	1,616.19	2,571.01
	Total	**64,739.85**	**69,319.88**

AMIT DESAI & CO.
MUMBAI
Chartered Accountants

10 (A) - Property, Plant and Equipment

(Rupees in '000)

Particulars	Freehold Land	Building	Plant & Machineries	Furniture & Fixtures	Vehicles	Computers	Equipments	Total
Gross Block								
As at 1st April, 2015	10,945.43	28,181.40	356,701.62	6,498.90	2,237.50	4,238.33	185.57	408,988.76
Additions	-	-	42,705.35	118.68	-	182.73	571.42	43,578.18
Disposals	-	-	-	-	-	-	-	-
Adjustments							(1.49)	(1.49)
As at 31st March, 2016	10,945.43	28,181.40	399,406.97	6,617.58	2,237.50	4,421.07	758.49	452,568.43
Additions	-	-	13,310.86	180.30	-	207.40	20.50	13,719.06
Disposals	-	-	-	-	-	-	1.49	1.49
Classified As Assets held for sale	10,945.43	12,695.11	-	-	-	-	-	23,640.54
As at 31st March, 2017	-	15,486.29	412,717.83	6,797.88	2,237.50	4,628.47	777.49	442,645.46
Accumulated Depreciation								
As at 1st April, 2015	-	13,378.40	250,936.37	5,239.88	659.70	4,085.41	4.12	274,303.88
Charge for the Year	-	1,053.95	7,748.82	191.69	193.00	92.11	18.10	9,297.67
On Disposals	-	-	-	-	-	-	-	-
As at 31st March, 2016	-	14,432.35	258,685.19	5,431.57	852.70	4,177.52	22.22	283,601.55
Charge for the Year	-	1,053.95	8,933.85	202.83	193.00	163.86	73.71	10,621.19
Adjusted with Prior Period Items	-	-	50.36	-	-	-	-	50.36
On Disposals	-	-	-	-	-	-	-	-
As at 31st March, 2017	-	15,486.29	267,669.40	5,634.40	1,045.71	4,341.38	95.93	294,273.10
Net Block								
As at 31st March, 2016	10,945.43	13,749.05	140,721.78	1,186.01	1,384.80	243.55	736.27	168,966.88
As at 31st March, 2017	-	(0.00)	145,048.43	1,163.48	1,191.79	287.09	681.57	148,372.35

10 (B) - Intangible Assets

(Rupees in '000)

Particulars	Computer Software	Total
Gross Block		
As at 1st April, 2015	1,578.89	1,578.89
Additions	-	-
Disposal	-	-
As at 31st March, 2016	1,578.89	1,578.89
Additions	209.09	209.09
Disposal	-	-
As at 31st March, 2017	1,787.98	1,787.98
Accumulated Depreciation		
As at 1st April, 2015	1,151.81	1,151.81
Charge for the Year	122.09	122.09
On Disposals	-	-
As at 31st March, 2016	1,273.90	1,273.90
Charge for the Year	153.06	153.06
On Disposals	-	-
As at 31st March, 2017	1,426.96	1,426.96
Net Block		
As at 31st March, 2016	304.99	304.99
As at 31st March, 2017	361.02	361.02

10 (C) - Capital Work-in Progress

(Rupees in '000)

Particulars	Opening	Additions	Deductions	Closing
As at 31st March, 2016	37,624.16	1,860.77	37,624.16	1,860.77
As at 31st March, 2017	1,860.77	204.83	956.22	1,109.38

AMIT DESAI & CO.
MUMBAI
Chartered Accountants

MMG INDIA PRIVATE LIMITED

Notes to the Financial Statements for the Year Ended 31st March, 2017

Note 1: Statement of Significant Accounting Policies

a) **Basis of Preparation of Financial Statements**

The financial statements are prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the accounting standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013.

The financial statements are prepared on accrual basis under the historical cost convention.

b) **Use of Estimates**

The preparation of financial statements in conformity with Indian GAAP requires judgments, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses for the year. Difference between the actual results and estimates are recognized in the year in which the results are known/materialized. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable.

c) **Revenue Recognition**

Revenue is recognized only when significance risks and rewards incidental to ownership are transferred to the customers, it can be reliably measured and it is reasonable to expect ultimate collection. Sales are inclusive of excise duty, but exclusive of sales tax/vat/service tax collected.

Income from services is recognized when services are provided and there is no uncertainty as to its ultimate collectability.

Sales are net of returns, trade discounts, and allowances.

Interest Income is generally recognized on time proportion method.

Other incomes including Export Incentives are recognized on accrual basis.

d) **Property, Plant and Equipment**

Property, Plant and Equipment are stated at acquisition cost less accumulated depreciation and impairment losses if any. Cost of acquisition is inclusive of duties, taxes, freight and other directly attributable costs incurred to bring the assets to its working condition for intended use and are net of CENVAT credits as applicable. Borrowing cost directly attributable to acquisition of these property, plant and equipment which necessarily take a substantial period of time to get ready for their intended use is capitalized.

Capital Work in Progress

Capital Work-In-Progress comprises the cost of property, plant and equipment that are not yet ready for their intended use at the reporting date. Advances given towards the acquisition of property, plant and equipment are shown separately as capital advances under head long term loans & advances.

e) **Intangible Assets**

Intangible assets are stated at acquisition cost less accumulated amortization/depletion and impairment losses if any.

f) **Depreciation**

Property, Plant and Equipment

Depreciation is provided on a pro-rata basis on the straight-line method at the rates prescribed under Schedule II of the Companies Act, 2013 with the exception of the following:

- Tools are depreciated over 5 years based on the technical evaluation of useful life done by the management.

Intangible Assets

Intangible Assets are being amortized on Straight Line Method (SLM) as per Accounting Standard 26 "Intangible Assets".

g) **Inventories**

Raw materials, stores, spares, components and consumables are stated cost or net realizable value whichever is lower. Cost includes freight, taxes and duties as applicable but excludes duties and taxes that are subsequently recoverable from tax authorities. Works-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes material cost, cost of conversion and other applicable overheads incurred in bringing them to their present location and condition. In accordance with Accounting Standard - 2 "Valuation of Inventories", provision is made for excise duty on closing stock of finished goods. Cost is determined on weighted average cost method.

h) **Foreign Currency Transactions**

i. Foreign exchange transactions are recorded at the rate prevailing on the dates of the respective transaction. Exchange difference arising on foreign exchange transactions settled during the year is recognized in the statement of profit and loss.

ii. Monetary assets and liabilities denominated in foreign currencies are converted at the closing rate as on Balance Sheet date. The resultant exchange difference is recognized in the statement of profit & loss.

iii. Non monetary assets and liabilities denominated in foreign currencies are carried at the exchange rate prevalent on the date of the transaction.

AMIT DESAI & CO. MUMBAI Chartered Accountants

i) **Employee Benefits**

Liability is provided for retirement benefits for provident fund, gratuity and leave encashment in respect of all eligible employees. Contributions under the defined contribution schemes are charged to revenue. The liability in respect of defined benefit schemes like gratuity and leave encashment is provided in the accounts on the basis of actuarial valuations as at the year end.

j) **Borrowing Costs**

Borrowing costs that are directly attributable to and incurred on acquiring qualifying assets (assets that takes a substantial period of time for its intended use) are capitalized. Other borrowing costs are recognized as expense in the period in which the same are incurred.

k) **Taxation**

Tax expenses are the aggregate of current tax and deferred tax charges are credited in the statement of profit and loss for the year.

i. Current Tax

The current charge for income tax is calculated in accordance with the relevant tax regulations applicable to the Company.

ii. Deferred Tax

Deferred tax charges or credit reflects the tax effects of timing differences between accounting income and taxable income for the year. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realized in future, however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are reviewed at each balance sheet date.

iii. Minimum Alternate Tax (MAT)

In case the Company is liable to pay income tax under provision of Minimum Alternate Tax u/s. 115JB of Income Tax Act, 1961, the amount of tax paid in excess of normal income tax liability is recognised as asset only if there is convincing evidence for realization of such asset during the specified period. MAT Credit Entitlement is recognised in accordance with the Guidance Note on accounting treatment in respect of Minimum Alternate Tax issued by The Institute of Chartered Accountants of India.

l) **Impairment of Assets**

The Company evaluates all its assets for assessing any impairment and accordingly recognizes the impairment, wherever applicable, as provided in Accounting Standard 28, "Impairment of Assets".

m) **Provisions, Contingent Liabilities and Contingent Assets**

i. Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources and the amount of which can be reliably estimated.
ii. Contingent Liabilities are not recognized but are disclosed in the Notes. Contingent liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non occurrence of one or more uncertain future event not wholly within the control of the Company.
iii. Contingent assets are neither recognized nor disclosed in the financial statements.
iv. Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

n) **Miscellaneous Expenditures**

Preliminary expenditures are fully charged off in the year in which they are incurred.

AMIT DESAI & CO.
MUMBAI
Chartered Accountants

MMG INDIA PRIVATE LIMITED

Note 25 : Notes to the Financial Statements for The Year Ended 31st March, 2017

A. Contingent Liabilities:

Claims against the Company not acknowledged as debts: (Excluding interest and penalty on the respective amount if any arrived upon the final outcome)

1. Disputed ESIC Demands Rs. 89.69 ('000) ((Previous year Rs. 89.69 ('000))
2. Disputed Sales Tax Demands Rs. 11,668.05 ('000) ((Previous year Rs. 224.82 ('000))
3. Sales Tax Liability (On account of pending 'C' forms) Rs. 3,837.98 ('000) ((Previous year Rs. 5,187.82 ('000))
4. TDS Liability (on account various discrepancies) Rs.1,361.11 ('000) ((Previous year Rs.1,335.96 ('000))
5. Outstanding Letters of Credit Rs.7,076.24 ('000) ((Previous year Rs.3,418.21 ('000))

B. Capital Commitments

(Rupees in '000)

Particulars	As at 31st March	
	2017	2016
Estimated amounts of Capital Expenditure Commitments	1,397.60	-

C. Transfer Pricing

As per the transfer pricing norms introduced in India with effect from April 1, 2001, the Company is required to use certain specified methods in computing arm's length price of international transactions between the associated enterprises and maintain prescribed information and documents relating to such transactions. The appropriate method to be adopted will depend on the nature of transactions/ class of transactions, class of associated persons, functions performed and other factors, which have been prescribed. The Company is in the process of conducting a Transfer pricing study for the current year. However, in the opinion of the Management the same would not have a material impact on these financial statements. Accordingly, these financial statements do not include any adjustments for the transfer pricing implications, if any.

D. Various Debit and Credit balances are subject to confirmations/reconciliation and consequent adjustments, if any. The Company is of the view that reconciliation(s), if any, arising out of final settlement of accounts with these parties is not likely to have any material impact on the accounts. The Current Assets, Loan & Advances are stated in the Balance Sheet at the amounts which are at least realizable in ordinary course of business.

E. Earnings in Foreign Exchange

(Rupees in '000)

Particulars	As at 31st March	
	2017	2016
Sale of Goods (Net)	35,319.60	36,179.70
Total	35,319.60	36,179.70

F. Expenditure in Foreign Currency

(Rupees in '000)

Particulars	As at 31st March	
	2017	2016
Traveling & Other Expenses	93.20	402.92
Capital Goods	4,548.93	1,205.92
Finance Costs	1,073.82	4,015.61
Total	5,715.95	5,624.44

The Foreign currency exposures that are not hedged by a derivative instrument or otherwise as at year end are given below:

Particulars	2016-17		2015-16	
	Foreign Currency	Rupees in '000	Foreign Currency	Rupees in '000
Trade Payables				
- Hedged by derivative or otherwise	-	-	-	-
- Not Hedged (USD)	128,661	8,342.18	68,640	4,553.09
Trade Receivables				
- Hedged by derivative or otherwise	-	-	-	-
- Not Hedged (USD)	17,600	1,141.14	51,455	3,413.15
- Not Hedged (GBP)	70,150	5,673.74	13,443	1,278.26
- Not Hedged (EURO)	2,041	141.36	-	-
Advance to Suppliers				
- Hedged by derivative or otherwise	-	-	-	-
- Not Hedged (JPY)	-	-	3,660,800	2,162.07
Advance from Customers				
- Hedged by derivative or otherwise	-	-	-	-
- Not Hedged (EURO)	-	-	101	7.58
- Not Hedged (GBP)	194,206	15,707.31	276,887	26,328.67
Inter Corporate Deposit				
- Hedged by derivative or otherwise	-	-	-	-
- Not Hedged	-	-	-	-
Foreign Currency Loan Payable				
- Hedged by derivative or otherwise	-	-	-	-
- Not Hedged (USD)	763,016	49,472.89	1,055,084	69,986.75
Total		80,478.62		107,729.58

AMIT DESAI & CO. MUMBAI Chartered Accountants

MMG INDIA PRIVATE LIMITED

Note 25 : Notes to the Financial Statements for The Year Ended 31st March, 2017

G. CIF Value of Imports

(Rupees in '000)

Particulars	As at 31st March	
	2017	2016
Raw Materials	61,304.20	37,614.75
Stores & Spares	2,072.03	586.59
Capital Goods	4,548.93	1,205.92
Total	67,925.15	39,407.26

H. Earnings Per Share

In determining earnings per share, the Company considers the net profit/ (loss) after tax and includes the post tax effect of any extra-ordinary/exceptional item. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the year.

(Rupees in '000 Unless Specified)

Particulars	2016-17	2015-16
Profit/(Loss) After Tax Attributable to Equity Shareholders (A)	(35,026.20)	(73,496.94)
Weighted Average Number of Equity Shares (B)	13,865,870	13,865,870
Basic & Diluted Earnings Per Share (A/B) (Rs.)	(2.53)	(5.30)
Nominal Value Per Share (Rs.)	10.00	10.00

I. Related Party Disclosures

(A) Names of the related parties and the nature of the relationship:

Holding Company:
Delta Magnets Limited

Key Management Personnel (KMPs):
Dr. Ram H. Shroff (RS) - Director
Mr. Abhilash Sunny - Whole Time Director (w.e.f. 23rd March, 2015) & CFO (w.e.f. 30th January, 2015)

Other Related Parties, Where Common Control Exists:
MagDev Limited, UK

Enterprises over which Key Management Personnel/Individual or their Relatives mentioned in (ii) or (iii) above exercise Significant Influence or control:
Aarti Management Consultancy Private Limited (AAMPL)

AMIT DESAI & CO. MUMBAI Chartered Accountants

MMG INDIA PRIVATE LIMITED

Note 25 : Notes to the Financial Statements for The Year Ended 31st March, 2017

(B) Transactions with related parties during the year:

(Rupees in '000)

Particulars	Holding Company/KMPs		Other Related Party Where Common Control Exists/Enterprises Over which KMPs/ Individual/Their Relatives Exercise Significant Influence or Control		Total	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
Sale of Goods:						
Magdev Limited, UK	-	-	15,761.61	13,745.62	15,761.61	13,745.62
Delta Magnets Limited	-	-	-	-	-	-
Total	-	-	15,761.61	13,745.62	15,761.61	13,745.62
Job Work Income:						
Delta Magnets Limited	348.30	1,453.21	-	-	348.30	1,453.21
Total	348.30	1,453.21	-	-	348.30	1,453.21
Loan Received:						
Delta Magnets Limited	11,955.25	5,500.00	-	-	11,955.25	5,500.00
AAMPL	-	-	42,200.00	31,200.00	42,200.00	31,200.00
RS	6,600.00	-	-	-	6,600.00	-
Total	18,555.25	5,500.00	42,200.00	31,200.00	60,755.25	36,700.00
Loan Repaid:						
AAMPL	-	-	2,000.00	-	2,000.00	-
Total	-	-	2,000.00	-	2,000.00	-
Advance Received (Repaid) from Customer:						
Magdev Limited, UK	-	-	(10,621.36)	20,695.77	(10,621.36)	20,695.77
Total	-	-	(10,621.36)	20,695.77	(10,621.36)	20,695.77
Rent Paid:						
Delta Magnets Limited	-	3,915.00	-	-	-	3,915.00
Total	-	3,915.00	-	-	-	3,915.00
Interest Expenses:						
Delta Magnets Limited	1,767.48	1,173.43	-	-	1,767.48	1,173.43
AAMPL	-	-	4,508.53	1,837.04	4,508.53	1,837.04
RS	45.39	-	-	-	45.39	-
Total	1,812.87	1,173.43	4,508.53	1,837.04	6,321.41	3,010.47
Deposit Received Back:						
Delta Magnets Limited	6,612.00	-	-	-	6,612.00	-
Total	6,612.00	-	-	-	6,612.00	-
Corporate Guarantee/Security Received:						
Delta Magnets Limited	-	10,700.00	-	-	-	10,700.00
Total	-	10,700.00	-	-	-	10,700.00
Corporate Guarantee/Security Reversal:						
Delta Magnets Limited	1,770.00	-	-	-	1,770.00	-
Total	1,770.00	-	-	-	1,770.00	-
Closing Balance as on 31st March						
ICD/Loan:						
Delta Magnets Limited	26,325.25	14,370.00	-	-	26,325.25	14,370.00
AAMPL	-	-	71,400.00	31,200.00	71,400.00	31,200.00
RS	6,600.00	-	-	-	6,600.00	-
Total	32,925.25	14,370.00	71,400.00	31,200.00	104,325.25	45,570.00
Advance Received from Customer:						
Magdev Limited, UK	-	-	15,707.31	26,328.67	15,707.31	26,328.67
Total	-	-	15,707.31	26,328.67	15,707.31	26,328.67
Other Payable:						
Delta Magnets Limited	30.27	3,382.22	-	-	30.27	3,382.22
Total	30.27	3,382.22	-	-	30.27	3,382.22
Trade Payable:						
Delta Magnets Limited	-	5,967.82	-	-	-	5,967.82
Total	-	5,967.82	-	-	-	5,967.82
Trade Receivables:						
Delta Magnets Limited	341.33	-	-	-	341.33	-
Total	341.33	-	-	-	341.33	-
Interest Payable:						
Delta Magnets Limited	2,662.26	1,071.53	-	-	2,662.26	1,071.53
AAMPL	-	-	5,711.01	1,653.33	5,711.01	1,653.33
RS	40.85	-	-	-	40.85	-
Total	2,703.11	1,071.53	5,711.01	1,653.33	8,414.12	2,724.86
Corporate Guarantee/Security Received:						
Delta Magnets Limited	189,030.00	190,800.00	-	-	189,030.00	190,800.00
Total	189,030.00	190,800.00	-	-	189,030.00	190,800.00
Deposit Given:						
Delta Magnets Limited	-	6,612.00	-	-	-	6,612.00
Total	-	6,612.00	-	-	-	6,612.00

AMIT DESAI & CO.
MUMBAI
Chartered Accountants

J. Particulars of goods manufactured during the reporting year (As certified by the management)

i) Consumption of Raw Materials

(Rupees in '000)

Particulars	2016-17	2015-16
Ferrite Materials	54,014.21	37,385.87
Others	2,918.00	4,160.65
Total	56,932.20	41,546.53

ii) Value of Imported and Indigenous Raw Material, Stores, Spares and Components Consumed

(Rupees in '000)

Raw Material	2016-17		2015-16	
	Amt.	%	Amt.	%
Imported	51,006.68	89.59%	38,575.84	92.85%
Indigenous	5,925.53	10.41%	2,970.69	7.15%
Total	56,932.20	100.00%	41,546.53	100.00%

(Rupees in '000)

Stores, Spares and Components	2016-17		2015-16	
	Amt.	%	Amt.	%
Imported	507.64	2.46%	430.42	2.56%
Indigenous	20,115.09	97.54%	16,398.36	97.44%
Total	20,622.73	100.00%	16,828.77	100.00%

iii) Details of Turnover and Inventory during the year (Figures in bracket pertain to previous year)

(Rupees in '000)

Finished Goods	Sales Gross	Closing Inventory	Opening Inventory
Soft Ferrite	172,638.19	24,687.83	25,467.54
	(153,199.01)	(25,467.54)	(25,803.43)

(Rupees in '000)

Work-in-Progress	Closing Inventory	Opening Inventory
Soft Ferrite	4,617.21	4,986.63
	(4,986.63)	(8,257.57)

AMIT DESAI & CO. MUMBAI Chartered Accountants

K. Employees Benefits

(a) Disclosure required as per AS – 15 are as under:

i) The Company has recognized the expected liability arising out of the compensated absence and gratuity as at 31st March, 2017 based on actuarial valuation carried out using the Projected Unit Credit Method.

ii) The disclosure given below has been obtained from independent actuary. The other disclosures are made in accordance with AS - 15 (Revised) pertaining to the Defined Benefit Plan are as given below:

(Rupees in '000)

Sr. No.	Particulars	Gratuity (Funded) 2016-17	Gratuity (Funded) 2015-16	Leave Encashment (Unfunded) 2016-17	Leave Encashment (Unfunded) 2015-16
1	Assumptions :				
	Discount Rate	7.26%	7.86%	7.26%	7.86%
	Salary Escalation	6.00%	6.00%	6.00%	6.00%
2	Changes in Present Value of Obligations:				
	Present value of obligations as at beginning of year	4,388.99	15,330.21	1,527.25	1,871.87
	Interest Cost	344.98	1,214.15	120.04	148.25
	Current Service Cost	388.89	674.92	235.82	165.59
	Benefit Paid	(369.68)	(13,438.91)	(246.19)	(1,638.50)
	Actuarial (Gain) / Loss on obligations	456.57	608.62	(168.18)	980.05
	Present value of obligations as at end of year	5,209.75	4,388.99	1,468.75	1,527.25
3	Change in the Fair Value of Plan Assets:				
	Fair Value of Plan Assets at the beginning of the year	1,669.56	4,807.45	-	-
	Expected Return on Plan Assets	131.23	380.75	-	-
	Benefit Paid	-	(3,434.32)	-	-
	Actuarial Gains/(Losses) on Plan Assets	6.51	(84.32)	-	-
	Fair Value of Plan Assets at the End of the Period	1,807.30	1,669.56	-	-
4	Actual Return on Plan Assets:				
	Expected Return on Plan Assets	131.23	380.75	-	-
	Actuarial Gains/(Losses) on Plan Assets - Due to Experience	6.51	(84.32)	-	-
	Actual Return on Plan Assets	137.74	296.43	-	-
5	Amount Recognized in the Balance Sheet:				
	Liability at the end of the year	(5,209.75)	(4,388.99)	(1,468.75)	(1,527.25)
	Fair value of Plant Assets at the end of the year	1,807.30	1,669.56	-	-
	Difference	(3,402.45)	(2,719.43)	(1,468.75)	(1,527.25)
	Amount recognized in the Balance Sheet	(3,402.45)	(2,719.43)	(1,468.75)	(1,527.25)
6	Expenses recognized in the Statement of Profit and Loss:				
	Current Service Cost	388.89	674.92	235.82	165.59
	Interest Cost	213.75	833.40	120.04	148.25
	Actuarial (Gain) or Loss	450.06	692.94	(168.18)	980.05
	Expenses recognized in the Statement of Profit and Loss	1,052.69	2,201.26	187.69	1,293.89
7	Balance Sheet Reconciliation:				
	Opening Net Liability	2,719.43	10,522.76	1,527.25	1,871.87
	Expenses as above	1,052.69	2,201.26	187.69	1,293.89
	Benefit Paid	(369.68)	(10,004.59)	(246.19)	(1,638.50)
	Closing Net Liability	3,402.45	2,719.43	1,468.75	1,527.25

(b) Under Defined Contribution Plan:

(Rupees in '000)

Particulars	2016-17	2015-16
Contribution to Provident Fund	1,395.22	1,869.84
Contribution to ESIC	295.55	219.87
Total	1,690.78	2,089.72

AMIT DESAI & CO. MUMBAI Chartered Accountants

MMG INDIA PRIVATE LIMITED

Note 25 : Notes to the Financial Statements for The Year Ended 31st March, 2017

L. **MAT Credit Entitlement**

MAT Credit Entitlement of Rs.2,868.00 ('000) (Previous Year Rs.2,868.00 ('000)) is based on business projections of Company provided by Management, and the same have been relied upon by the Auditors.

M. **Segment Reporting**

The Company is engaged in the business of Magnets which is being the only business of the Company and hence disclosure of segment-wise information is not applicable under Accounting Standard 17- 'Segment Reporting'.

N. During the year 2015-16, the Company has announced Voluntary Retirement Scheme (VRS) for its permanent workmen. The Company has incurred a total expenditure of Rs. 27,384.75 ('000) on the said scheme. In compliance with the provisions of the Accounting Standards -15 "Employees Benefits", the entire amount of Rs. 27,384.75 ('000) is charged to Statement of Profit and Loss under the head Exceptional items.

O. Information required in terms of notification number 244 issued by Ministry of Corporate Affairs dated March 30, 2017 is as under :

(Rupees in '000)

Particulars	Specified Bank Notes (SBNs)*	Other Denomination Notes	Total
Closing Cash In hand as on 30.12.2016	-	18.69	18.69
(+) Permitted Receipts	-	127.56	127.56
(-) Permitted Payments	-	126.80	126.80
(-) Amount Deposited in Banks	-	-	-
Closing Cash In hand as on 30.12.2016	-	19.45	19.45

*For the purpose of this clause 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016.

P. **Previous Year Comparatives**

The previous year's figures have been reworked, regrouped, rearranged, recasted and reclassified wherever necessary to conform to the current year's classifications.

MUMBAI * Chartered Accountants * CO.

For and behalf of the Board of Directors
MMG India Private Limited

Dr. Ram H. Shroff	Abhilash Sunny
(Director)	(WTD & CFO)
DIN: 00004865	DIN: 01985382

Mumbai: 17th May, 2017

Annexure - 9C

MMG INDIA PRIVATE LIMITED
Audited Financial Statements for the Year Ended 31st March, 2016

Amit Desai & Co
Chartered Accountants
43, Sunbeam Apartments
3A Pedder Road, Mumbai - 400 026
Email ID - amitdesaiandco@gmail.com

CERTIFIED TRUE COPY

MMG India Private Limited

Director

Amit Desai & Co

Chartered Accountants

43 Sunbeam Apartments,
3A Pedder Road, Mumbai 400 026,
Maharashtra, India.
Tel. No.: +91-022-23512240
93222 69386
E-mail : amitdesaiandco@gmail.com

INDEPENDENT AUDITOR'S REPORT

To the Members of MMG INDIA PRIVATE LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **MMG INDIA PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 and ensuring their operating effectiveness and the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

AMIT DESAI & CO. MUMBAI Chartered Accountants

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, its loss and its cash flows for the year ended on that date.

Emphasis of Matter

(a) We draw attention to Note No. 25 (M) to the Financial Statements with regard to MAT Credit Entitlement of Rs.2,868 ('000), which is based on the judgment of the management.

(b) We draw Attention to Note No. 25 (P) to the Financial Statements, with regards to Company becoming potentially sick under the Sick Industrial Companies (Special Provisions) Act, 1985, as on 31st March, 2016.

Our opinion is not qualified in respect of these matters.

Report on Other Legal and Regulatory Requirements

(1) As required by the Companies (Auditors' 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 "Annexure 1", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

(2) As required by Section 143(3) of the Act, we report that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

AMIT DESAI & CO. MUMBAI Chartered Accountants

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014;

e. On the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 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, we give our separate Report in "Annexure 2";

g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

    (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 25(A) on Contingent Liabilities to the financial statements;

    (ii) The Company did not have any long-term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise;

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

For Amit Desai & Co
Chartered Accountants
ICAI Firm Registration No. 130710W

Amit N. Desai
Partner
Membership No. 32926

Mumbai: May 12, 2016

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of **MMG INDIA PRIVATE LIMITED** on the financial statements for the year ended March 31, 2016]

(i)

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

(b) During the year, the fixed assets of the Company have been physically verified by the management and as informed, no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets.

(c) The title deeds of immovable properties recorded as fixed assets in the books of account of the Company are held in the name of the Company.

(ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. As informed, no material discrepancies were noticed on physical verification carried out during the year.

(iii) The Company has not granted unsecured loans to companies covered in the register maintained under Section 189 of the Act; hence the provisions of paragraph 3(iii) of the Order are not applicable to the Company.

(iv) Based on information and explanation given to us, the Company has complied with the provisions of Section 185 and 186 of the Act in respect of loans, investments, guarantees, and security.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the provisions of Sections 73 to 76 of the Act and the rules framed there under.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for the maintenance of cost records under Section 148(1) of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.

(vii)

(a) The Company is generally not regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, value added tax, custom duty, cess and any other material statutory dues applicable to it.

AMIT DESAI & CO. MUMBAI Chartered Accountants

According to the information and explanations given to us, no undisputed dues in respect of provident fund, employees' state insurance, income-tax, wealth-tax, duty of customs, duty of excise, cess and other material statutory dues which were outstanding, at the year end for a period of more than six months from the date they became payable except tax deducted at source (TDS) and service tax. A statement showing arrears of outstanding statutory dues as at the last date of the financial year for a period more than six months is as under:

Name of the Statute	Nature of Dues	Amount (Rs. in '000)	Period to which the amount relates	Due Date	Paid Amount (Rs. in '000)	Date of Payment
Income Tax Act, 1961	Tax Deducted at Source (TDS)	64.57	Financial Year 2015-16	August 7, 2015	64.57	April 2, 2016
Income Tax Act, 1961	Tax Deducted at Source (TDS)	79.75	Financial Year 2015-16	September 7, 2015	79.75	April 2, 2016
Income Tax Act, 1961	Tax Deducted at Source (TDS)	3.70	Financial Year 2015-16	September 7, 2015	3.70	Not Paid
Finance Act, 1994	Service Tax	102.33	Financial Year 2015-16	August 6, 2015	102.33	Not Paid
Finance Act, 1994	Service Tax	97.45	Financial Year 2015-16	September 6, 2015	97.45	Not Paid

(b) According to the information and explanations given to us, there are no dues with respect to income tax, sales tax, service tax, value added tax, customs duty, excise duty, which have not been deposited on account of any dispute, except for the dues in relation to income tax, sales tax and ESIC as disclosed hereunder:

Name of the statute	Nature of dues	Amount (Rs. in '000)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	4,941.02	Assessment Year 2012-13	Rectification u/s. 154 is pending before the Assessing Officer
The Central Sales Tax, 1956	Sales Tax	224.82	Assessment Year 2001-02	Sales Tax Appellant Tribunal, Chennai
The Employee State Insurance, 1948	ESIC	89.69	April 1998 to September 1998	Principal Labour Court, Chennai

(viii) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to financial institutions or banks. The Company did not have any outstanding dues to Government or debenture holders.

AMIT DESAI & CO. MUMBAI Chartered Accountants

(ix) According to the information and explanations given to us, the Company has not raised money by way of public issue offer. Term loans obtained by the Company have been applied for the purposes for which they were raised.

(x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.

(xi) As per the information and explanations given to us, Company has not paid/provided any managerial remuneration to any of the directors; therefore paragraph 3(xi) of the Order is not applicable to the Company.

(xii) In our opinion, the Company is not a Nidhi Company. Therefore, paragraph 3(xii) of the Order is not applicable to the Company.

(xiii) As per the information and explanation given to us, all transactions entered into by the Company with the related parties are in compliance with 188 of Act, where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards. Section 177 of the Act is not applicable to the Company.

(xiv) As informed, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit. Therefore, paragraph 3(xiv) of the Order is not applicable to the Company.

(xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him during the year.

(xvi) Based on the information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Amit Desai & Co
Chartered Accountants
ICAI Firm Registration No. 130710W

Amit N. Desai
Partner
Membership No. 032926

Mumbai: May 12, 2016

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of **MMG INDIA PRIVATE LIMITED** on the financial statements for the year ended March 31, 2016]

Report on the Internal Financial Controls over Financial Reporting 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 **MMG INDIA PRIVATE LIMITED** ("the Company") as of March 31, 2016 in conjunction with our audit of the 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 specified under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

AMIT DESAI & CO. MUMBAI Chartered Accountants

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, 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 ICAI.

For Amit Desai & Co
Chartered Accountants
ICAI Firm Registration No. 130710W

Amit N. Desai
Partner
Membership No. 032926

Mumbai: May 12, 2016

MMG INDIA PRIVATE LIMITED

Balance Sheet As at 31st March, 2016

(Rupees in '000)

Particulars	Note No.	As at 31st March, 2016		As at 31st March, 2015	
I. EQUITY AND LIABILITIES					
Shareholder's Funds					
(a) Share Capital	2	138,658.70		138,658.70	
(b) Reserves & Surplus	3	(116,736.13)	21,922.57	(43,239.19)	95,419.51
Non-Current Liabilities					
(a) Long-Term Borrowings	4	74,190.77		64,490.64	
(b) Long-Term Provisions	5	3,162.99	77,353.76	10,368.65	74,859.29
Current Liabilities					
(a) Short-Term Borrowings	6	132,502.55		82,571.84	
(b) Trade Payables	7	28,082.80		16,199.90	
(c) Other Current Liabilities	8	48,353.31		44,124.47	
(d) Short-Term Provisions	9	1,265.98	210,204.64	2,217.08	145,113.29
Total			**309,480.97**		**315,392.10**
II.ASSETS					
Non-Current Assets					
(a) Fixed assets	10				
(i) Tangible Assets		168,966.88		134,684.88	
(ii) Intangible Assets		304.99		427.08	
(iii) Capital Work in Progress		1,860.77		37,624.16	
		171,132.64		172,736.12	
(b) Deferred Tax Assets (Net)	11	3,102.09		13,174.72	
(c) Long-Term Loans and Advances	12	12,276.53	186,511.26	12,189.36	198,100.19
Current Assets					
(a) Inventories	13	40,179.71		44,902.84	
(b) Trade Receivables	14	50,933.40		35,073.99	
(c) Cash and Bank Balances	15	15,417.50		13,461.78	
(d) Short-Term Loans and Advances	16	15,942.30		22,985.23	
(e) Other Current Assets	17	496.79	122,969.71	868.06	117,291.91
Total			**309,480.97**		**315,392.10**
Significant Accounting Policies and Notes to the Financial Statements	1 to 25				

As Per Our Report of Even Date
For Amit Desai & Co
Chartered Accountants
ICAI Firm Reg. No. 130710W

AMIT DESAI & CO. MUMBAI

ADesai

AMIT DESAI Mumbai M. No. 32926 CHARTERED ACCOUNTANTS

(Amit N. Desai)
Partner
Membership No. 032926

Mumbai: 12th May, 2016

For and on behalf of Board of Directors of
MMG India Private Limited

Ram Shroff
(Director)
DIN: 00004865

Abhilash Sunny
(WTD & CFO)
DIN: 01985382

MMG INDIA PRIVATE LIMITED

Statement of Profit And Loss For The Year Ended 31st March, 2016

(Rupees in '000)

Particulars	Note No.	Year Ended 31st March, 2016	Year Ended 31st March, 2015
Income:			
Revenue From Operations (Gross)	18	163,659.79	146,473.41
Less: Excise Duty		(9,802.01)	(4,714.20)
Revenue From Operations (Net)		153,857.78	141,759.21
Other Income	19	2,989.71	2,229.19
Total Revenue		**156,847.49**	**143,988.40**
Expenses:			
Cost of Raw Materials Consumed	20	41,546.53	36,293.95
Changes In Inventories of Finished Goods, Work-in-Progress	21	3,606.83	(11,864.49)
Employee Benefits Expense	22	44,681.88	45,542.38
Finance Costs	23	22,605.53	3,187.88
Depreciation & Amortization Expense	10	9,419.76	3,296.71
Other Expenses	24	69,319.88	72,931.40
Total Expenses		**191,180.41**	**149,387.83**
Profit/(Loss) Before Exceptional And Extraordinary Items And Tax		(34,332.92)	(5,399.44)
Exceptional Items		27,384.75	-
Profit/(Loss) Before Extraordinary Items and Tax		(61,717.66)	(5,399.44)
Extraordinary Items		-	-
Profit/(Loss) Before Tax		**(61,717.66)**	**(5,399.44)**
Tax Expense:			
- Current Tax		-	-
- Deferred Tax		10,072.63	(2,161.54)
Profit / (Loss) After Tax		**(71,790.29)**	**(3,237.89)**
Prior Period Items		1,706.65	1,829.71
Profit/(Loss) For The Year		**(73,496.94)**	**(5,067.60)**
Earning Per Equity Share: (Face Value of Rs.10/- Each)			
Basic & Diluted		(5.30)	(0.37)
Significant Accounting Policies and Notes to the Financial Statements	1 to 25		

As Per Our Report of Even Date
For Amit Desai & Co
Chartered Accountants
ICAI Firm Reg. No. 130710W

AMIT DESAI & CO. MUMBAI Chartered Accountants

(Amit N. Desai)
Partner
Membership No. 032926

AMIT DESAI Mumbai M. No. 32926 CHARTERED ACCOUNTANTS

For and on behalf of Board of Directors of
MMG India Private Limited

Ram Shroff
(Director)
DIN: 00004865

Abhilash Sunny
(WTD & CFO)
DIN: 01985382

Mumbai: 12th May, 2016

MMG INDIA PRIVATE LIMITED

Cash Flow Statement For the Year Ended 31st March, 2016

(Rupees in '000)

S. No.	Particulars		Year Ended 31st March, 2016	Year Ended 31st March, 2015
A	**CASH FLOW FROM OPERATING ACTIVITIES**			
	Net Profit/(Loss) before Tax and Extraordinary Items		(61,717.66)	(5,399.44)
	Adjustments For :			
	Depreciation & Amortization Expense		9,419.76	3,296.71
	Employee Benefits Expense		3,495.15	3,188.17
	Finance Costs		22,605.53	3,187.88
	Provision for Doubtful Debts/(Excess Written Back)		254.80	121.76
	Sundry Balance Written Off/(Excess Written Back)		(58.31)	(265.59)
	Prior Period Items		(1,706.65)	(1,829.71)
	Interest Income		(1,467.44)	(993.35)
	Operating Profit/(Loss) Before Working Capital Changes		**(29,174.82)**	**1,306.45**
	Adjustments For Working Capital :			
	Trade and Other Receivables		(8,304.44)	(19,444.81)
	Inventories		4,723.13	(13,528.00)
	Trade Payables and Other Liabilities		4,459.82	36,770.75
	Cash Generated From Operations		(28,296.31)	5,104.39
	Taxes Paid		(425.93)	(399.72)
	NET CASH FLOW FROM/(USED IN) OPERATING ACTIVITES	(A)	**(28,722.24)**	**4,704.67**
B	**CASH FLOW FROM INVESTING ACTIVITIES**			
	Purchase of Fixed Assets , Capital Work in Progress		(7,814.80)	(141,599.01)
	Investments in Bank Deposits / Proceeds on Maturity		(1,439.12)	(13,035.00)
	Interest income		1,467.44	993.35
	NET CASH USED IN INVESTING ACTIVITIES	(B)	**(7,786.48)**	**(153,640.66)**
C	**CASH FLOW FROM FINANCING ACTIVITIES**			
	Interest Paid		(22,605.53)	(3,187.88)
	Proceeding / (Repayment) of Short Term Borrowing		49,930.71	80,314.61
	Proceeding / (Repayment) of Long Term Borrowing		9,700.13	64,490.64
	NET CASH USED IN FINANCING ACTIVITES	(C)	**37,025.31**	**141,617.38**
	NET CHANGES IN CASH AND CASH EQUIVALENTS	(A + B + C)	516.60	(7,318.64)
	CASH AND CASH EQUIVALENTS - OPENING BALANCE		426.78	7,745.41
	CASH AND CASH EQUIVALENTS - CLOSING BALANCE		**943.38**	**426.78**
	Cash and Cash Equivalents Includes:			
	- Cash on Hand		83.40	27.46
	- Balances with Banks - In Current Accounts		327.08	399.33
	Deposit Account			
	- Fixed Deposit with maturity less than 3 months		532.91	-

Notes:

1) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard - 3 on Cash Flow Statement.

2) Previous year's figures have been regrouped or rearranged wherever necessary to conform to the current year's classifications.

As Per Our Report of Even Date
For Amit Desai & Co
Chartered Accountants
ICAI Firm Reg. No. 130710W

AMIT DESAI & CO. MUMBAI Chartered Accountants

(Amit N. Desai)
Partner
Membership No. 032926

AMIT DESAI Mumbai M. No. 32926 CHARTERED ACCOUNTANTS

Mumbai: 12th May, 2016

For and on behalf of the Board of Directors
MMG India Private Limited

Ram Shroff
(Director)
DIN: 00004865

Abhilash Sunny
(WTD & CFO)
DIN: 01985382

MMG INDIA PRIVATE LIMITED

Notes to the Financial Statements for the Year Ended 31st March, 2016

Note 1: Statement of Significant Accounting Policies

a) **Basis of Preparation of Financial Statements**

The financial statements are prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the accounting standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013.

The financial statements are prepared on accrual basis under the historical cost convention.

b) **Use of Estimates**

The preparation of financial statements in conformity with Indian GAAP requires judgments, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses for the year. Difference between the actual results and estimates are recognized in the year in which the results are known/materialized. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable.

c) **Revenue Recognition**

Revenue is recognized only when significance risks and rewards incidental to ownership are transferred to the customers, it can be reliably measured and it is reasonable to expect ultimate collection. Sales are inclusive of excise duty, but exclusive of sales tax/vat/service tax collected.

Income from services is recognized when services are provided and there is no uncertainty as to its ultimate collectability.

Sales are net of returns, trade discounts, and allowances.

Interest Income is generally recognized on time proportion method.

Other incomes including Export Incentives are recognized on accrual basis.

d) **Fixed Assets**

Tangible Assets

Tangible assets are stated at acquisition cost less accumulated depreciation and impairment losses if any. Cost of acquisition is inclusive of duties, taxes, freight and other directly attributable costs incurred to bring the assets to its working condition for intended use and are net of CENVAT credits as applicable. Borrowing cost directly attributable to acquisition of these fixed assets which necessarily take a substantial period of time to get ready for their intended use is capitalised.

Intangible Assets

Intangible assets are stated at acquisition cost less accumulated amortization/depletion and impairment losses if any.

Capital Work in Progress

Capital Work-In-Progress comprises the cost of fixed assets that are not yet ready for their intended use at the reporting date. Advances given towards the acquisition of fixed assets are shown separately as capital advances under head long term loans & advances.

e) **Depreciation**

Tangible Assets

Depreciation is provided on a pro-rata basis on the straight-line method at the rates prescribed under Schedule II of the Companies Act, 2013 with the exception of the following:

- Tools are depreciated over 5 years based on the technical evaluation of useful life done by the management.

Intangible Assets

Intangible Assets are being amortized on Straight Line Method (SLM) as per Accounting Standard 26 "Intangible Assets".

f) **Inventories**

Raw materials, stores, spares, components and consumables are stated cost or net realizable value whichever is lower. Cost includes freight, taxes and duties as applicable but excludes duties and taxes that are subsequently recoverable from tax authorities. Works-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes material cost, cost of conversion and other applicable overheads incurred in bringing them to their present location and condition. In accordance with Accounting Standard - 2 "Valuation of Inventories", provision is made for excise duty on closing stock of finished goods. Cost is determined on weighted average cost method.

g) **Foreign Currency Transactions**

i. Foreign exchange transactions are recorded at the rate prevailing on the dates of the respective transaction. Exchange difference arising on foreign exchange transactions settled during the year is recognized in the statement of profit and loss.

ii. Monetary assets and liabilities denominated in foreign currencies are converted at the closing rate as on Balance Sheet date. The resultant exchange difference is recognized in the statement of profit & loss.

iii. Non monetary assets and liabilities denominated in foreign currencies are carried at the exchange rate prevalent on the date of the transaction.

h) **Employee Benefits**

Liability is provided for retirement benefits for provident fund, gratuity and leave encashment in respect of all eligible employees.

Contributions under the defined contribution schemes are charged to revenue. The liability in respect of defined benefit schemes like gratuity and leave encashment is provided in the accounts on the basis of actuarial valuations as at the year end.

AMIT DESAI & CO. MUMBAI Chartered Accountants

i) Borrowing Costs

Borrowing costs that are directly attributable to and incurred on acquiring qualifying assets (assets that takes a substantial period of time for its intended use) are capitalized. Other borrowing costs are recognized as expense in the period in which the same are incurred.

j) Taxation

Tax expenses are the aggregate of current tax and deferred tax charges are credited in the statement of profit and loss for the year.

i. Current Tax

The current charge for income tax is calculated in accordance with the relevant tax regulations applicable to the Company.

ii. Deferred Tax

Deferred tax charges or credit reflects the tax effects of timing differences between accounting income and taxable income for the year. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realized in future, however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are reviewed at each balance sheet date.

iii. Minimum Alternate Tax (MAT)

In case the Company is liable to pay income tax under provision of Minimum Alternate Tax u/s. 115JB of Income Tax Act, 1961, the amount of tax paid in excess of normal income tax liability is recognised as asset only if there is convincing evidence for realization of such asset during the specified period. MAT Credit Entitlement is recognised in accordance with the Guidance Note on accounting treatment in respect of Minimum Alternate Tax issued by The Institute of Chartered Accountants of India.

k) Impairment of Assets

The Company evaluates all its assets for assessing any impairment and accordingly recognizes the impairment, wherever applicable, as provided in Accounting Standard 28, "Impairment of Assets".

l) Provisions, Contingent Liabilities and Contingent Assets

i. Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources and the amount of which can be reliably estimated.

ii. Contingent Liabilities are not recognized but are disclosed in the Notes. Contingent liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non occurrence of one or more uncertain future event not wholly within the control of the Company.

iii. Contingent assets are neither recognized nor disclosed in the financial statements.

iv. Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

m) Miscellaneous Expenditures

Preliminary expenditures are fully charged off in the year in which they are incurred.

AMIT DESAI & CO. MUMBAI Chartered Accountants

MMG INDIA PRIVATE LIMITED

Notes Forming Part of the Financial Statements for the Year Ended 31st March, 2016

2	Share Capital	As at 31st March, 2016		As at 31st March, 2015	
		No. of Shares	Rupees in '000	No. of Shares	Rupees in '000
	Authorised:				
	Equity Shares of Rs. 10/- Each	15,000,000	150,000.00	15,000,000	150,000.00
	Total	15,000,000	150,000.00	15,000,000	150,000.00
	Issued, Subscribed And Fully Paid-Up:				
	Equity Shares of Rs. 10/- Each	13,865,870	138,658.70	13,865,870	138,658.70
	Total	13,865,870	138,658.70	13,865,870	138,658.70

(a) Reconciliation of the Equity Shares at the Beginning and at the End of the Reporting Period:

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	No. of Shares	Rupees in '000	No. of Shares	Rupees in '000
At the Beginning of the Year	13,865,870	138,658.70	13,865,870	138,658.70
Issued During the Year	-	-	-	-
Bought Back During the Year	-	-	-	-
Outstanding at the End of the Year	13,865,870	138,658.70	13,865,870	138,658.70

(b) Terms/Rights Attached to Equity Shares:

The Company has only one class of Equity Shares having a par value of Rs. 10/- per share. Each holder of Equity Shares is entitled to 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 preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the shareholders.

(c) Details of Equity Shareholders Holding More Than 5 % Shares in the Company:

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	No. of Shares Held	% of Holding	No. of Shares Held	% of Holding
Delta Magnets Limited - Holding Company	13,865,870	100.00	13,865,870	100.00

(Rupees in '000)

3	Reserves & Surplus	As at 31st March, 2016	As at 31st March, 2015
	Surplus / (Deficit) in Statement of Profit & Loss:		
	Opening Balance	(43,239.19)	(38,123.70)
	(+) / (-) : Net Profit /(Net Loss) During the Year	(73,496.94)	(5,067.60)
	(+) / (-) : Depreciation Effect as per Schedule II of the Companies Act, 2013 [(Refer Note 10 (a)]	-	(47.88)
	Closing Balance	(116,736.13)	(43,239.19)
	Total	(116,736.13)	(43,239.19)

(Rupees in '000)

4	Long-Term Borrowings	As at 31st March, 2016	As at 31st March, 2015
	Secured Borrowings:		
	-From a Bank [Outstanding balance as at Balance sheet date carry interest @ 14.15% p.a. (Floating) is repayable in 72 months (including moratorium period of 12 months) as per ballooning repayment schedule at monthly rests. Installment started from July, 2015. For details of securities refer note 4 (a)]	73,501.05	63,600.24
	-From a Financial Institution (Outstanding Balance as at Balance sheet date carry floating interest @10.25% p.a., repayable in 60 months at monthly rests. Further, it is secured against hypothecation of Motor Vehicle)	689.72	890.40
	Total	74,190.77	64,490.64

Note:

4 (a) The said borrowings are secured by way of registered mortgage of immovable property situated at Chennai and exclusive charge by way of hypothecation on entire movable fixed assets & current assets of the Company, present and future. Further, extension of equitable mortgage of immovable property owned by Holding Company situated at Nashik. Also corporate guarantee is given by the Holding Company.

(Rupees in '000)

5	Long Term Provisions	As at 31st March, 2016	As at 31st March, 2015
	Provision for Employee Benefits:		
	Gratuity (Funded)	1,730.26	8,952.41
	Leave Encashment (Unfunded)	1,432.73	1,416.24
	Total	3,162.99	10,368.65

AMIT DESAI & CO. MUMBAI Chartered Accountants

MMG INDIA PRIVATE LIMITED

Notes Forming Part of the Financial Statements for the Year Ended 31st March, 2016

(Rupees in '000)

6	Short Term Borrowings	As at 31st March, 2016	As at 31st March, 2015
	Loans Repayable on Demand		
	From Banks		
	Bank - Cash Credit	16,945.79	14,911.01
	[Repayable on demand and carry interest @ 14.15% p.a. (Floating). For details of securities refer note 4 (a)]		
	Buyer's Credit Facility	69,986.75	58,790.84
	(Various buyer credits are repayable within one year from the date of credit facility and carries interest @ LIBOR + variable BPS. For details of securities refer note 4 (a)]		
	Unsecured Loan	-	
	Inter Corporate Deposit (Repayable on demand and carry interest @9.00% p.a.)	45,570.00	8,870.00
	Total	**132,502.55**	**82,571.84**

(Rupees in '000)

7	Trade Payables	As at 31st March, 2016	As at 31st March, 2015
	Micro, Small and Medium Enterprises	-	4,090.66
	Others	28,082.80	12,109.24
	Total	**28,082.80**	**16,199.90**

Details of dues to Micro and Small Enterprises as defined under the Micro, Small and Medium Enterprises Deelopment Act, 2006:
The Company has sent letters to suppliers and vendors to confirm whether they are covered under Micro, Small and Medium Enterprises Development Act, 2006 as well as whether they have file required memorandum with the prescribed authorities. Out of the letters sent to the parties, some confirmations have been received till the date of finalization of Balance Sheet. Based on the confirmations received the details of outstanding are as under:

(Rupees in '000)

Particulars	As at 31st March, 2016	As at 31st March, 2015
The principal amount remaining unpaid at the end of the year.	-	4,090.66
The interest amount remaining unpaid at the end of the year.	-	48.76
The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act 2006 along with the amount of the payment made to the supplier beyond the appointed day during the year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	48.76
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act 2006.	-	48.76

(Rupees in '000)

8	Other Current Liabilities	As at 31st March, 2016	As at 31st March, 2015
	Duties & Taxes	2,507.28	4,680.39
	Advance from Customers	26,857.97	10,084.76
	Payable to Employees	2,325.79	2,980.30
	Payable for Capital Assets	-	13,405.37
	Current Maturities of Long-Term Borrowings	9,115.79	5,968.50
	Interest Accrued & Due on Borrowings	2,735.29	15.44
	Interest Accrued But Not Due on Borrowings	1,344.57	1,005.48
	Book Overdraft	84.39	-
	Other Current Liabilities	3,382.22	5,984.24
	Total	**48,353.31**	**44,124.47**

(Rupees in '000)

9	Short Term Provisions	As at 31st March, 2016	As at 31st March, 2015
	Provision for Employee Benefits:		
	Gratuity (Funded)	989.18	1,570.35
	Leave Encashment (Unfunded)	276.80	646.72
	Total	**1,265.98**	**2,217.08**

AMIT DESAI & CO. MUMBAI Chartered Accountants

Note 10 : Fixed Assets

(Rupees in '000

Tangible Assets	Freehold Land	Building	Plant & Machineries	Furniture & Fixtures	Vehicles	Computers	Equipments	Total
Gross Block								
As at 1st April, 2014	10,945.43	28,181.40	255,143.80	5,727.09	612.20	4,124.89	-	304,734.8
Additions	-	-	101,557.81	771.82	1,625.30	113.44	185.57	104,253.9
Disposals	-	-	-	-	-	-	-	-
As at 31st March, 2015	10,945.43	28,181.40	356,701.62	6,498.90	2,237.50	4,238.33	185.57	408,988.7
Additions	-	-	42,705.35	118.68	-	182.73	571.42	43,578.1
Disposals	-	-	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-	(1.49)	(1.4
As at 31st March, 2016	10,945.43	28,181.40	399,406.97	6,617.58	2,237.50	4,421.07	758.49	452,568.4
Accumulated Depreciation								
As at 1st April, 2014	-	12,324.45	249,083.57	5,026.65	612.20	4,018.60	-	271,065.46
Charge for the Year	-	1,053.95	1,852.80	165.35	47.50	66.82	4.12	3,190.54
Adjusted with Surplus in Statement of Profit & Loss	-	-	-	47.88	-	-	-	47.88
On Disposals	-	-	-	-	-	-	-	-
As at 31st March, 2015	-	13,378.40	250,936.37	5,239.88	659.70	4,085.41	4.12	274,303.88
Charge for the Year	-	1,053.95	7,748.82	191.69	193.00	92.11	18.10	9,297.67
On Disposals	-	-	-	-	-	-	-	-
As at 31st March, 2016	-	14,432.35	258,685.19	5,431.57	852.70	4,177.52	22.22	283,601.55
Net Block								
As at 31st March, 2015	10,945.43	14,803.00	105,765.24	1,259.02	1,577.80	152.92	181.46	134,684.88
As at 31st March, 2016	10,945.43	13,749.05	140,721.78	1,186.01	1,384.80	243.55	736.27	168,966.88

Note :

10 (a) Depreciation of Rs. Nil [P.Y. Rs. 47.88 ('000)] on account of assets, whose useful life is already exhausted on April 1st, 2014 has been adjusted against Surplus in Statement of Profit & Loss pursuant to adoption of estimated useful life of fixed assets as stipulated by Schedule II of Companies Act, 2013.

(Rupees in '000)

Intangible Assets	Computer Software	Total
Gross Block		
As at 1st April, 2014	1,481.32	1,481.32
Additions	97.57	97.57
Disposal	-	-
As at 31st March, 2015	1,578.89	1,578.89
Additions	-	-
Disposal	-	-
As at 31st March, 2016	1,578.89	1,578.89
Accumulated Depreciation		
As at 1st April, 2014	1,045.64	1,045.64
Charge for the Year	106.17	106.17
On Disposals	-	-
As at 31st March, 2015	1,151.81	1,151.81
Charge for the Year	122.09	122.09
On Disposals	-	-
As at 31st March, 2016	1,273.90	1,273.90
Net Block		
As at 31st March, 2015	427.08	427.08
As at 31st March, 2016	304.99	304.99

Capital Work-in Progress

(Rupees in '000)

Particulars	Opening	Additions	Deductions	Closing
As at 31st March, 2015	376.67	130,406.57	93,159.08	37,624.16
As at 31st March, 2016	37,624.16	1,860.77	37,624.16	1,860.77

AMIT DESAI & CO. MUMBAI Chartered Accountants

11 **Deferred Tax**

In accordance with Accounting Standard 22 "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, the Company has accounted for Deferred Tax during the year.

The components of Deferred Tax Assets to the extent recognized and Deferred Tax Liabilities as on 31st March, 2016 are as follows:

(Rupees in '000)

Net Deferred Tax Liabilities / (Assets)		As at 31st March, 2016	As at 31st March, 2015
Deferred Tax Liability arising on account of:			
Difference between Book and Tax Depreciation		14,876.85	4,804.22
	Total (A)	14,876.85	4,804.22
Deferred Tax Asset arising on account of:			
Business Loss & Expenses Disallowed under the Income Tax Act, 1961		17,978.94	17,978.94
	Total (B)	17,978.94	17,978.94
Net Deferred Tax Liabilities / (Assets)	(A - B)	(3,102.09)	(13,174.72)

(Rupees in '000)

12	Long-Term Loans & Advances	As at 31st March, 2016	As at 31st March, 2015
	Security Deposits (Unsecured, Considered Good)		
	With Public Bodies	2,796.53	2,709.36
	With Others	6,612.00	6,612.00
	Mat Credit Entitlement	2,868.00	2,868.00
	Total	12,276.53	12,189.36

(Rupees in '000)

13	Inventories	As at 31st March, 2016	As at 31st March, 2015
	Raw Materials	8,018.65	8,183.88
	Work-in-Progress	4,986.63	8,257.57
	Finished Goods	25,467.54	25,803.43
	Stores and Spares	1,706.89	2,657.96
	Total	40,179.71	44,902.84

(Rupees in '000)

14	Trade Receivables (Unsecured, Unless Otherwise Stated)	As at 31st March, 2016	As at 31st March, 2015
	Trade Receivables Outstanding for a period exceeding six months from the date they were due for payment:		
	Considered Good	2,642.12	2,288.19
	Considered Doubtful	1,192.13	937.33
	Other Trade Receivables:		
	Considered Good	48,291.29	32,785.81
	Less: Provision for Doubtful Debts	(1,192.13)	(937.33)
	Total	50,933.40	35,073.99

Provision for Doubtful Debts

The Company periodically evaluate all customers dues, the need for provision is amended based on various factors including collectability of specific dues, risk, perceptions of the industry in which customer operate, general economy factors.

(Rupees in '000)

15	Cash and Bank Balance	As at 31st March, 2016	As at 31st March, 2015
	Cash and Cash Equivalents:		
	Balances with Banks in Current Accounts	327.08	399.33
	Cash on Hand	83.40	27.46
	Fixed Deposits with maturity less than 3 months	532.91	-
	Other Bank Balance		
	Bank Deposits		
	-Fixed Deposits with maturity more than 3 months but less than 12 months	14,474.12	13,035.00
	Total	15,417.50	13,461.78

AMIT DESAI & CO. MUMBAI Chartered Accountants

MMG INDIA PRIVATE LIMITED

Notes Forming Part of the Financial Statements for the Year Ended 31st March, 2016

(Rupees in '000)

16	Short Term Loans and Advances (Unsecured, Considered Good Unless Otherwise Stated)	As at 31st March, 2016	As at 31st March, 2015
	Other Loans and Advances:		
	Balance with Statutory Authorities	11,152.72	20,042.11
	Advance Tax (Net of Provision for Taxes)	1,998.31	1,572.38
	Security Deposit	62.49	20.00
	Advance to Employees	111.89	414.34
	Advances to Suppliers	2,424.89	557.37
	Prepaid Expenses	191.99	379.03
	Total	**15,942.30**	**22,985.23**

(Rupees in '000)

17	Other Current Assets	As at 31st March, 2016	As at 31st March, 2015
	Interest accrued on Fixed Deposits	318.88	545.40
	Interest Receivable on EB Deposit	164.55	284.74
	Other Receivable	13.36	37.92
	Total	**496.79**	**868.06**

AMIT DESAI & CO. MUMBAI Chartered Accountants

MMG INDIA PRIVATE LIMITED

Notes Forming Part of the Financial Statements for the Year Ended 31st March, 2016

(Rupees in '000)

18	Revenue From Operations (Gross)	Year Ended 31st March, 2016	Year Ended 31st March, 2015
	Sale of Products	153,199.01	131,325.58
	Sale of Services	10,460.78	15,147.84
	Total	**163,659.79**	**146,473.41**

(Rupees in '000)

19	Other Income	Year Ended 31st March, 2016	Year Ended 31st March, 2015
	Interest Income	1,467.44	993.35
	Duty Draw Back Income	667.65	962.26
	Excess Provision Written Back	429.66	-
	Other Non-Operating Income	366.65	7.99
	Sundry Balance Written Back	58.31	265.59
	Total	**2,989.71**	**2,229.19**

(Rupees in '000)

20	Cost of Materials Consumed	Year Ended 31st March, 2016	Year Ended 31st March, 2015
	Opening Stocks	8,183.88	6,344.27
	Add: Purchases	41,381.30	38,133.56
		49,565.18	44,477.83
	Less: Closing Stocks	(8,018.65)	(8,183.88)
	Total	**41,546.53**	**36,293.95**

(Rupees in '000)

21	Change in Stock of Finished Goods & Work-in-Progress	Year Ended 31st March, 2016	Year Ended 31st March, 2015
	Stocks At the End		
	Finished Goods	25,467.54	25,803.43
	Work-in-Progress	4,986.63	8,257.57
		30,454.17	34,061.00
	Stocks At the Beginning		
	Finished Goods	25,803.43	19,182.27
	Work-in-Progress	8,257.57	3,014.24
		34,061.00	22,196.51
	Total (B) - (A)	**3,606.83**	**(11,864.49)**

(Rupees in '000)

22	Employee Benefits Expense	Year Ended 31st March, 2016	Year Ended 31st March, 2015
	Salaries and Wages	36,739.27	36,841.72
	Contribution to Provident and Other Funds	2,243.84	2,772.31
	Contribution to Gratuity Fund and Leave Encashment	3,495.15	3,188.17
	Staff Welfare Expenses	2,203.62	2,740.18
	Total	**44,681.88**	**45,542.38**

AMIT DESAI & CO. MUMBAI Chartered Accountants

MMG INDIA PRIVATE LIMITED

Notes Forming Part of the Financial Statements for the Year Ended 31st March, 2016

(Rupees in '000)

23	Finance Costs	Year Ended 31st March, 2016	Year Ended 31st March, 2015
	Interest Expenses	20,409.69	2,513.86
	Other Borrowing Costs	2,195.83	674.02
	Total	**22,605.53**	**3,187.88**

(Rupees in '000)

24	Other Expenses	Year Ended 31st March, 2016	Year Ended 31st March, 2015
	Consumption of Stores, Spares, Consumables, Packing Materials etc.	16,828.78	18,696.42
	Job Work Charges	6,673.58	11,070.52
	Production Over Head	824.06	1,331.56
	Power and Fuel	22,526.47	20,550.95
	Rates, Taxes and Water Charges	936.91	1,003.07
	Repairs and Maintenance:		
	- Plant & Machinery	2,010.16	1,310.42
	- Building	34.28	74.85
	Excise Duty variation on Opening / Closing Stock	6.35	1,075.77
	Insurance Charges	166.74	145.98
	Travelling and Conveyance Expenses	3,947.00	3,212.29
	Freight Charges	3,383.39	1,641.49
	Selling & Distribution cost	194.45	711.35
	Net Foreign Currency Loss/Gains	1,091.98	438.74
	Rent	5,950.36	2,097.65
	Penalty	-	124.72
	Miscellaneous Expenses	1,914.56	1,438.66
	Provision for Doubtful Debts	254.80	121.76
	Remuneration to Auditors:		
	- For Audit Fees	5.00	285.00
	- For Taxation Matters	-	50.00
	- For Company Law Matters	-	-
	- For Reimbursement of Expenses	-	3.70
	Legal & Professional Fees	2,571.01	7,546.50
	Total	**69,319.88**	**72,931.40**

AMIT DESAI & CO. MUMBAI Chartered Accountants

MMG INDIA PRIVATE LIMITED

Note 25 : Notes to the Financial Statements for The Year Ended 31st March, 2016

A. Contingent Liabilities:

Claims against the Company not acknowledged as debts: (Excluding interest and penalty on the respective amount if any arrived upon the final outcome)

1. Disputed ESIC Demands Rs. 89.69 ('000) ((Previous year Rs. 89.69 ('000))
2. Disputed Sales Tax Demands Rs. 224.82 ('000) ((Previous year Rs. 224.82 ('000))
3. Sales Tax Liability (On account of pending 'C' forms) Rs. 5187.82 ('000) ((Previous year Rs. 4800.74 ('000))
4. TDS Liability (on account various discrepancies) Rs.1,335.96 ('000) ((Previous year Rs.863.31 ('000))
5. Outstanding Letters of Credit Rs.3,418.21 ('000) ((Previous year Rs.3,091.13 ('000))

B. Capital Commitments

(Rupees in '000)

Particulars	As at 31st March	
	2016	2015
Estimated amounts of Capital Expenditure Commitments	-	3,641.56

C. Transfer Pricing

As per the transfer pricing norms introduced in India with effect from April 1, 2001, the Company is required to use certain specified methods in computing arm's length price of international transactions between the associated enterprises and maintain prescribed information and documents relating to such transactions. The appropriate method to be adopted will depend on the nature of transactions/ class of transactions, class of associated persons, functions performed and other factors, which have been prescribed. The Company is in the process of conducting a Transfer pricing study for the current year. However, in the opinion of the Management the same would not have a material impact on these financial statements. Accordingly, these financial statements do not include any adjustments for the transfer pricing implications, if any.

D. Various Debit and Credit balances are subject to confirmations/reconciliation and consequent adjustments, if any. The Company is of the view that reconciliation(s), if any, arising out of final settlement of accounts with these parties is not likely to have any material impact on the accounts. The Current Assets, Loan & Advances are stated in the Balance Sheet at the amounts which are at least realizable in ordinary course of business.

E. Earnings in Foreign Exchange

(Rupees in '000)

Particulars	As at 31st March	
	2016	2015
Sale of Goods (Net)	36,179.70	54,445.67
Total	**36,179.70**	**54,445.67**

F. Expenditure in Foreign Currency

(Rupees in '000)

Particulars	As at 31st March	
	2016	2015
Traveling & Other Expenses	402.92	317.69
Capital Goods	1,205.92	77,421.38
Finance Costs	4,015.61	134.13
Total	**5,624.44**	**77,873.21**

The Foreign currency exposures that are not hedged by a derivative instrument or otherwise as at year end are given below:

Particulars	2015-16		2014-15	
	Foreign Currency	Rupees in '000	Foreign Currency	Rupees in '000
Trade Payables				
- Hedged by derivative or otherwise	-	-	-	-
- Not Hedged (USD)	68,640	4,553.09	227,737	14,254.24
- Not Hedged (JPY)	-	-	1,763,000	918.70
Trade Receivables				
- Hedged by derivative or otherwise	-	-	-	-
- Not Hedged (USD)	51,455	3,413.15	102,286	6,402.17
- Not Hedged (GBP)	13,443	1,278.26	26,284	2,430.18
- Not Hedged (EURO)	-	-	2,081	140.46
Advance to Suppliers				
- Hedged by derivative or otherwise	-	-	-	-
- Not Hedged (JPY)	3,660,800	2,162.07	-	-
Advance from Customers				
- Hedged by derivative or otherwise	-	-	-	-
- Not Hedged (EURO)	101	7.58	-	-
Foreign Currency Loan Payable				
- Hedged by derivative or otherwise	-	-	-	-
- Not Hedged (USD)	1,055,084	69,986.75	939,289	58,790.84
Total		**81,400.90**		**82,936.59**

AMIT DESAI & CO. MUMBAI Chartered Accountants

G. CIF Value of Imports

(Rupees in '000)

Particulars	As at 31st March	
	2016	2015
Raw Materials	37,614.75	40,325.92
Stores & Spares	586.59	366.82
Capital Goods	1,205.92	77,421.38
Total	**39,407.26**	**118,114.13**

H. Earnings Per Share

In determining earnings per share, the Company considers the net profit/ (loss) after tax and includes the post tax effect of any extra-ordinary/exceptional item. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the year.

(Rupees in '000 Unless Specified)

Particulars	2015-16	2014-15
Profit/(Loss) After Tax Attributable to Equity Shareholders (A)	(73,496.94)	(5,067.60)
Weighted Average Number of Equity Shares (B)	13,865,870	13,865,870
Basic & Diluted Earnings Per Share (A/B) (Rs.)	(5.30)	(0.37)
Nominal Value Per Share (Rs.)	10.00	10.00

I. Related Party Disclosures

(A) Names of the related parties and the nature of the relationship:

Holding Company:
Delta Magnets Limited

Key Management Personnel (KMPs):
Dr. Ram H. Shroff - Director
Mr. Abhilash Sunny - Whole Time Director (w.e.f. 23rd March, 2015) & CFO (w.e.f. 30th January, 2015)

Other Related Parties, Where Common Control Exists:
Magdev Limited, UK

AMIT DESAI & CO. MUMBAI Chartered Accountants

MMG INDIA PRIVATE LIMITED

Note 25 : Notes to the Financial Statements for The Year Ended 31st March, 2016

J. Particulars of goods manufactured during the reporting year (As certified by the management)

i) Consumption of Raw Materials

(Rupees in '000)

Particulars	2015-16	2014-15
Ferrite Materials	37,385.87	35,622.79
Others	4,160.65	671.17
Total	**41,546.53**	**36,293.95**

ii) Value of Imported and Indigenous Raw Material, Stores, Spares and Components Consumed

(Rupees in '000)

Raw Material	2015-16		2014-15	
	Amt.	%	Amt.	%
Imported	38,575.84	92.85%	36,183.16	99.69%
Indigenous	2,970.69	7.15%	110.80	0.31%
Total	**41,546.53**	**100.00%**	**36,293.95**	**100.00%**

(Rupees in '000)

Stores, Spares and Components	2015-16		2014-15	
	Amt.	%	Amt.	%
Imported	430.42	2.56%	1,121.79	6.00%
Indigenous	16,398.36	97.44%	17,574.64	94.00%
Total	**16,828.78**	**100.00%**	**18,696.42**	**100.00%**

iii) Details of Turnover and Inventory during the year (Figures in bracket pertain to previous year)

(Rupees in '000)

Finished Goods	Sales Gross	Closing Inventory	Opening Inventory
Soft Ferrite	153,199.01	25,467.54	25,803.43
	(131,325.58)	**(25,803.43)**	**(19,182.27)**

(Rupees in '000)

Work-in-Progress	Closing Inventory	Opening Inventory
Soft Ferrite	4,986.63	8,257.57
	(8,257.57)	(3,014.24)

MMG INDIA PRIVATE LIMITED

Note 25 : Notes to the Financial Statements for The Year Ended 31st March, 2016

(B) Transactions with related parties during the year:

(Rupees in '000)

Particulars	Holding Company		Other Related Party Where Common Control Exists		Total	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
Sale of Goods:						
Magdev Limited, UK	-	-	13,745.62	12,767.26	13,745.62	12,767.26
Delta Magnets Limited	-	30.00	-	-	-	30.00
Total	-	**30.00**	**13,745.62**	**12,767.26**	**13,745.62**	**12,797.26**
Job Work Income:						
Delta Magnets Limited	1,453.21	-	-	-	1,453.21	-
Total	**1,453.21**	-	-	-	**1,453.21**	-
Purchase of Fixed Assets:						
Delta Magnets Limited	-	17.19	-	-	-	17.19
Total	-	**17.19**	-	-	-	**17.19**
Purchase of Services:						
Delta Magnets Limited	-	5,400.00	-	-	-	5,400.00
Total	-	**5,400.00**	-	-	-	**5,400.00**
ICD/Loan Received:						
Delta Magnets Limited	5,500.00	8,870.00	-	-	5,500.00	8,870.00
Total	**5,500.00**	**8,870.00**	-	-	**5,500.00**	**8,870.00**
Advance Received from Customer:						
Magdev Limited, UK	-	-	20,695.77	3,635.91	20,695.77	3,635.91
Total	-	-	**20,695.77**	**3,635.91**	**20,695.77**	**3,635.91**
Rent Paid:						
Delta Magnets Limited	3,915.00	1,740.00	-	-	3,915.00	1,740.00
Total	**3,915.00**	**1,740.00**	-	-	**3,915.00**	**1,740.00**
Interest on ICD Received:						
Delta Magnets Limited	1,173.43	17.15	-	-	1,173.43	17.15
Total	**1,173.43**	**17.15**	-	-	**1,173.43**	**17.15**
Deposit Given:						
Delta Magnets Limited	-	6,612.00	-	-	-	6,612.00
Total	-	**6,612.00**	-	-	-	**6,612.00**
Corporate Guarantee/Security Received:						
Delta Magnets Limited	10,700.00	180,100.00	-	-	10,700.00	180,100.00
Total	**10,700.00**	**180,100.00**	-	-	**10,700.00**	**180,100.00**
Closing Balance as on 31st March						
ICD/Loan:						
Delta Magnets Limited	14,370.00	8,870.00	-	-	14,370.00	8,870.00
Total	**14,370.00**	**8,870.00**	-	-	**14,370.00**	**8,870.00**
Advance Received from Customer:						
Magdev Limited, UK	-	-	26,328.67	5,632.91	26,328.67	5,632.91
Total	-	-	**26,328.67**	**5,632.91**	**26,328.67**	**5,632.91**
Other Payable:						
Delta Magnets Limited	3,382.22	5,919.99	-	-	3,382.22	5,919.99
Total	**3,382.22**	**5,919.99**	-	-	**3,382.22**	**5,919.99**
Trade Payable:						
Delta Magnets Limited	5,967.82	1,776.75	-	-	5,967.82	1,776.75
Total	**5,967.82**	**1,776.75**	-	-	**5,967.82**	**1,776.75**
Interest Payable:						
Delta Magnets Limited	1,071.53	15.44	-	-	1,071.53	15.44
Total	**1,071.53**	**15.44**	-	-	**1,071.53**	**15.44**
Corporate Guarantee/Security Received:						
Delta Magnets Limited	190,800.00	180,100.00	-	-	190,800.00	180,100.00
Total	**190,800.00**	**180,100.00**	-	-	**190,800.00**	**180,100.00**
Deposit Given:						
Delta Magnets Limited	6,612.00	6,612.00	-	-	6,612.00	6,612.00
Total	**6,612.00**	**6,612.00**	-	-	**6,612.00**	**6,612.00**

AMIT DESAI & CO. MUMBAI Chartered Accountants

K. Employees Benefits

Disclosure required as per AS – 15 are as under:

i) The Company has recognized the expected liability arising out of the compensated absence and gratuity as at 31st March, 2016 based on actuarial valuation carried out using the Projected Unit Credit Method.

ii) The disclosure given below has been obtained from independent actuary. The other disclosures are made in accordance with AS - 15 (Revised) pertaining to the Defined Benefit Plan are as given below:

(Rupees in '000)

Sr. No.	Particulars	Gratuity (Funded) 2015-16	Gratuity (Funded) 2014-15	Leave Encashment (Unfunded) 2015-16	Leave Encashment (Unfunded) 2014-15
1	Assumptions :				
	Discount Rate	7.86%	7.92%	7.86%	7.92%
	Salary Escalation	6.00%	6.00%	6.00%	6.00%
2	Changes in Present Value of Obligations:				
	Present value of obligations as at beginning of year	15,330.21	12,363.45	1,871.87	1,507.97
	Interest Cost	1,214.15	1,121.37	148.25	136.77
	Current Service Cost	674.92	592.07	165.59	498.82
	Liability Transfer in	-	-	-	-
	Liability Transfer out	-	-	-	-
	Benefit Paid	(13,438.91)	-	(1,638.50)	(188.27)
	Actuarial (Gain) / Loss on obligations	608.62	1,253.33	980.05	107.67
	Present value of obligations as at end of year	4,388.99	15,330.21	1,527.25	2,062.97
3	Change in the Fair Value of Plan Assets:				
	Fair Value of Plan Assets at the beginning of the year	4,807.45	4,410.51	-	-
	Expected Return on Plan Assets	380.75	-	-	-
	Contributions by the Employer	-	-	-	-
	Benefit Paid	(3,434.32)	-	-	-
	Actuarial Gains/(Losses) on Plan Assets	(84.32)	396.95	-	-
	Fair Value of Plan Assets at the End of the Period	1,669.56	4,807.45	-	-
4	Actual Return on Plan Assets:				
	Expected Return on Plan Assets	380.75	-	-	-
	Actuarial Gains/(Losses) on Plan Assets - Due to Experience	(84.32)	396.95	-	-
	Actual Return on Plan Assets	296.43	396.95	-	-
5	Amount Recognized in the Balance Sheet:				
	Liability at the end of the year	(4,388.99)	(15,330.21)	(1,527.25)	(2,062.97)
	Fair value of Plant Assets at the end of the year	1,669.56	4,807.45	-	-
	Difference	(2,719.43)	(10,522.76)	(1,527.25)	(2,062.97)
	Unrecognized Past Service Cost	-	-	-	-
	Unrecognized Transition Liability	-	-	-	-
	Amount recognized in the Balance Sheet	(2,719.43)	(10,522.76)	(1,527.25)	(2,062.97)
6	Expenses recognized in the Statement of Profit and Loss:				
	Current Service Cost	674.92	592.07	165.59	498.82
	Interest Cost	833.40	1,121.37	148.25	136.77
	Expected return on Plan assets	-	-	-	-
	Actuarial (Gain) or Loss	692.94	856.38	980.05	107.67
	Expenses recognized in the Statement of Profit and Loss	2,201.26	2,569.82	1,293.89	743.26
7	Balance Sheet Reconciliation:				
	Opening Net Liability	10,522.76	7,952.94	1,871.87	1,507.97
	Expenses as above	2,201.26	2,569.82	1,293.89	743.26
	Employer's Contribution	-	-	-	-
	Benefit Paid	(10,004.59)	-	(1,638.50)	(188.27)
	Closing Net Liability	2,719.43	10,522.76	1,527.25	2,062.97

(b) Under Defined Contribution Plan:

(Rupees in '000)

Particulars	2015-16	2015-16
Contribution to Provident Fund	1,869.84	2,368.06
Contribution to ESIC	219.87	147.03
Total	**2,089.72**	**2,515.09**

AMIT DESAI & CO. MUMBAI Chartered Accountants

MMG INDIA PRIVATE LIMITED

Note 25 : Notes to the Financial Statements for The Year Ended 31st March, 2016

L. Operating Lease Expense:

The Company has lease expenses as follows:

(Rupees in '000)

Particulars	2015-16	2015-16
Lease Rent Paid during the Year	5,950.36	2,097.65
Total	5,950.36	2,097.65

M. MAT Credit Entitlement

MAT Credit Entitlement of Rs.2,868.00 ('000) (Previous Year Rs.2,868.00 ('000)) is based on business projections of Company provided by Management, and the same have been relied upon by the Auditors.

N. Segment Reporting

The Company is engaged in the business of Magnets which is being the only business of the Company and hence disclosure of segment-wise information is not applicable under Accounting Standard 17- 'Segment Reporting'.

O. During the year, the Company has announced Voluntary Retirement Scheme (VRS) for its permanent workmen. The Company has incurred a total expenditure of Rs. 27,384.75 ('000) on the said scheme. In compliance with the provisions of the Accounting Standards -15 "Employees Benefits", the entire amount of Rs. 27,384.75 ('000) is charged to Statement of Profit and Loss under the head Exceptional items.During the year, the Company has announced Voluntary Retirement Scheme (VRS) for its permanent workmen. The Company has incurred a total expenditure of Rs. 27,384.75 ('000) on the said scheme. In compliance with the provisions of the Accounting Standards -15 "Employees Benefits", the entire amount of Rs. 27,384.75 ('000) is charged to Statement

P. During the year, the Company has become potentially sick and the Management is in process of chalking out the final plan to revive the Company financially in near future.

Q. Previous Year Comparatives

The previous year's figures have been reworked, regrouped, rearranged, recasted and reclassified wherever necessary to conform to the current year's classifications.

AMIT DESAI & CO. MUMBAI Chartered Accountants

For and behalf of the Board of Directors
MMG India Private Limited

Ram Shroff
(Director)
DIN: 00004865

Abhilash Sunny
(WTD & CFO)
DIN: 01985382

Mumbai: 12th May, 2016