

# **MADHAV COPPER LTD**

*Plot No. 2107/D, Office No. 203*

*2<sup>nd</sup> Floor,*

*D & I Excellus*

*Waghawadi Road,*

*Bhavnagar: 364001*

**PAN: AAICM2859A**

## **-:ANNUAL ACCOUNTS:-**

**For Quarter Ended on 30<sup>th</sup> September-2016**

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### **AUDITORS:-**

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**NIRAV PATEL & CO.**

**CHARTERED ACCOUNTANTS**

*OPP. JYOTI MAHILA SCHOOL*

*LOKHAND BAZAR,*

*BHAVNAGAR-364001.*

*MOBILE: 9879808097, EMAIL: [caniravpatel5719@gmail.com](mailto:caniravpatel5719@gmail.com)*

*[cafirm@icia.org](mailto:cafirm@icia.org)*

**PAN: AAMFN7729B**

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## INDEPENDENT AUDITOR'S REPORT

TO,

**THE MEMBERS OF MADHAV COPPER LIMITED**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of **MADHAV COPPER LIMITED** ("the Company"), which comprise the Balance Sheet as at **30/09/2016**, the Statement of Profit and Loss, **the cash flow statement** for the year then ended, and a summary of the 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, that were operating effectively for ensuring 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 there under.

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 the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the 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 **30/09/2016**, and its **Profit and it's cash flows** for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

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 Companies Act, 2013. We give in the **Annexure A** statements on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.

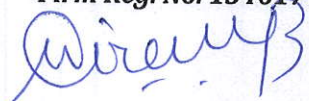
As required by Section 143 (3) of the Act, we report that:

- (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 **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 the written representations received from the directors as on **30/09/2016** taken on record by the Board of Directors, none of the directors is disqualified as **30/09/2016** 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, refer to our separate report in "**Annexure B**".
- (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:
- The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
  - The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
  - There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For, Nirav Patel & Co.**  
**(Chartered Accountants)**  
**Firm Reg. No. 134617W**



**Nirav B. Patel**  
**Partner**  
**M. No. 149360**

**Place: Bhavnagar**  
**Date: 27/12/2016**



**ANNEXURE - A**

**Reports under The Companies (Auditor's Report) Order, 2016 (CARO 2016) for the year ended on 30<sup>th</sup> September 2016**

To,

**The Members of MADHAV COPPER LIMITED**

**(1) In Respect of Fixed Assets**

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

(b) As explained to us, fixed assets have been physically verified by the management at regular intervals; as informed to us no material discrepancies were noticed on such verification;

(c) During the year the Company has not disposed off any substantial /major part of fixed assets.

**(2) In Respect of Inventories**

(a) As per the information and explanations given to us, the inventories have been physically verified by the management at reasonable intervals during the year.

(b) In our opinion and as per the information and explanations given to us, procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.

(c) The Company is maintaining proper records of inventories. In our opinion, discrepancies noticed on physical verification of inventory were not material in relation to the operations of the Company and the same have been properly dealt with in the books of account.

**(3) Compliance under section 189 of The Companies Act, 2013**

As informed by the company, company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

(a) In our opinion and according to the information and explanations given to us. The rate of interest and other terms and conditions for such loans are not prima facie prejudicial to the interest to the company.

(b) This clause is not applicable since there are no loans granted during period covered under audit.

(c) There is no overdue amount of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the companies Act, 2013.



**(4) Compliance under section 185 and 186 of The Companies Act , 2013**

While doing transaction for loans, investments, guarantees, and security provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.

**(5) Compliance under section 73 to 76 of The Companies Act, 2013 and Rules framed there under while accepting Deposits**

The company has not accepted any public deposits as covered under section 73 to 76 of the act. Also no order from CLB or NLT or RBI or any other court has passed in this regard.

**(6) Maintenance of cost records**

The Company is required to maintain cost records pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013.

**(7) Deposit of Statutory Dues**

According to the information and explanations given to us and based on the records of the company examined by us, save and except the item reported in last in this para of this note the company is generally regular in depositing the undisputed statutory dues, including Income-tax, Sales-tax, Wealth Tax, Service Tax, and other material statutory dues, as applicable, with the appropriate authorities in India; There is no dues which is outstanding for more than 6 month then they become payable.

**(8) Repayment of Loans and Borrowings**

The company has not defaulted in repayment of dues to financial institution, or a bank.

**(9) Utilization of Money Raised by Public Offers and Term Loan For which they Raised**

The company has not raised money by way public offers and Term loans.

**(10) Reporting of Fraud During the Year**

Based on our audit procedures and the information and explanation made available to us no such fraud noticed or reported during the year.

**(11) Managerial Remuneration**

Managerial remuneration has been not paid or provided hence provisions of section 197 read with Schedule V to the Companies Act not applicable to the company.

**(12) Compliance by Nidhi Company Regarding Net Owned Fund to Deposits Ratio**

As per information and records available with us The company is not Nidhi Company.

**(13) Related party compliance with Section 177 and 188 of companies Act – 2013**

There is no such type of transactions with the related parties.

**(14) Compliance under section 42 of Companies Act - 2013 regarding Private placement of Shares or Debentures**

During the year under review, the company has not made private placement of shares or debentures under section 42 of companies Act-2013.

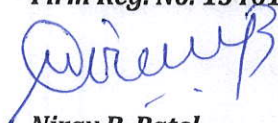
**(15) Compliance under section 192 of Companies Act - 2013**

The company has not entered into any non-cash transactions with directors or persons connected with him.

**(16) Requirement of Registration under 45-IA of Reserve Bank of India Act, 1934**

The company is not required to be registered under section 45-IA of the Reserve Bank of India Act.

**For, Nirav Patel & Co.**  
**(Chartered Accountants)**  
**Firm Reg. No. 134617W**



**Nirav B. Patel**  
**Partner**  
**M. No. 149360**

**Place: Bhavnagar**  
**Date: 27/12/2016**



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**"Annexure B" to the Independent Auditor's Report of even date on the Standalone Financial Statements of MADHAV COPPER LIMITED**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of MADHAV COPPER LIMITED ("The Company") as of **September 30, 2016** in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditors' Responsibility**

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

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



audit of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and operating effectiveness of internal control based on the assessed risk. The procedures selected depend upon 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.

### **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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

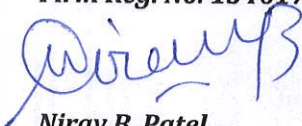
### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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 **September 30, 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 issues by the Institute of Chartered Accountants of India.

**For, Nirav Patel & Co.**  
**(Chartered Accountants)**  
**Firm Reg. No. 134617W**



**Nirav B. Patel**  
**Partner**  
**M. No. 149360**

**Place: Bhavnagar**  
**Date: 27/12/2016**



## BALANCE SHEET AS AT 30TH SEPTEMBER, 2016.

Particulars		Notes #	AS AT 30.09.2016 Amount	AS AT 31.03.2016 Amount
I.	<b>EQUITY AND LIABILITIES</b>			
1	<b>Shareholders' funds</b>			
(a)	Share capital	2	1,50,00,000	1,50,00,000
(b)	Reserves and surplus	3	1,65,90,892	94,84,044
(c)	Money received against share warrants		0	0
	<b>Sub-total (1)</b>		<b>3,15,90,892</b>	<b>2,44,84,044</b>
2	<b>Share application money pending allotment</b>		0	0
3	<b>Non-current liabilities</b>			
(a)	Long-term borrowings	4	1,99,75,006	2,19,47,008
(b)	Deferred tax liabilities (Net)	5	9,81,151	10,28,463
(c)	Other Long term liabilities		0	0
(d)	Long-term provisions		0	0
	<b>Sub-total (3)</b>		<b>2,09,56,157</b>	<b>2,29,75,471</b>
4	<b>Current liabilities</b>			
(a)	Short-term borrowings	6	6,08,28,207	3,31,80,151
(b)	Trade payables	7	3,86,62,459	29,98,389
(c)	Other current liabilities	8	2,21,88,838	49,73,521
(d)	Short-term provisions	9	40,25,000	25,00,000
	<b>Sub-total (4)</b>		<b>12,57,04,504</b>	<b>4,36,52,060</b>
	<b>TOTAL</b>		<b>17,82,51,553</b>	<b>9,11,11,575</b>
II.	<b>ASSETS</b>			
	<b>Non-current assets</b>			
1	<b>(a) Fixed assets</b>			
(i)	Tangible assets	10	3,93,19,476	2,56,39,172
(ii)	Intangible assets		0	0
(ii)	Capital work-in-progress		0	0
(iv)	Intangible assets under development		0	0
			3,93,19,476	2,56,39,172
(d)	Long-term loans and advances	11	5,75,797	15,36,934
(e)	Trade receivables		0	0
(f)	Other non-current assets	12	43,11,658	12,45,270
	<b>Sub-total (1)</b>		<b>4,42,06,931</b>	<b>2,84,21,376</b>
2	<b>Current assets</b>			
(a)	Current investments		0	0
(b)	Inventories	13	1,42,06,696	2,15,66,929
(c)	Trade receivables	14	7,84,26,403	3,51,14,770
(d)	Cash and cash equivalents	15	7,05,483	2,64,090
(e)	Short-term loans and advances	16	3,69,53,510	32,13,328
(f)	Other current assets	17	37,52,531	25,31,083
	<b>Sub-total (2)</b>		<b>13,40,44,622</b>	<b>6,26,90,199</b>
			<b>17,82,51,553</b>	<b>9,11,11,575</b>
	Significant Accounting Policies	1	0	
	Notes forming part of the financial statements	1-29		

As per our report of even dated.

NIRAV PATEL &amp; CO

Firm Regd. No.134617W

Chartered Accountants

  
 (NIRAV B PATEL)

Partner.

M.No.149360

Dated : 27/12/2016

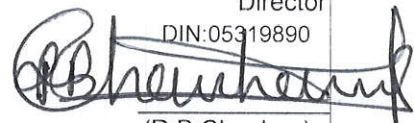
Place : Bhavnagar.



(Niles N Patel)

Director

DIN:05319890



(R B Chauhan)

Director

DIN:06396973

**MADHAV COPPER LIMITED.**

**STATEMENT OF PROFIT & LOSS FOR THE PERIOD ENDED  
30TH SEPTEMBER 2016**

Particulars		Notes #	01.04.2016 To 30.09.2016	2015-2016
			Amount `	Amount `
I.	Revenue from operations	18	23,56,94,803	35,61,71,865
II.	Other income	19	8,14,108	7,34,016
III.	<b>Total Revenue (I + II)</b>		<b>23,65,08,911</b>	<b>35,69,05,881</b>
IV.	<b>Expenses:</b>			
	Cost of materials consumed	20	14,80,50,806	31,85,52,371
	Purchases of Stock-in-Trade		7,20,06,950	0
	Changes in inventories of finished goods work-in-progress and Stock-in-Trade	21	-31,55,297	72,42,005
	Employee benefits expense	22	15,24,514	19,37,689
	Finance costs	23	52,61,821	81,09,963
	Depreciation and amortization expense	24	10,00,217	22,11,992
	Other expenses	25	35,38,379	80,64,350
	<b>Total expenses (IV)</b>		<b>22,82,27,390</b>	<b>34,61,18,370</b>
V.	<b>Profit before exceptional and extraordinary items and tax (III-IV)</b>		<b>82,81,521</b>	<b>1,07,87,511</b>
VI.	Exceptional items	26	-3,03,015	0
VII.	<b>Profit before extraordinary items and tax (V - VI)</b>		<b>85,84,536</b>	<b>1,07,87,511</b>
VIII.	Extraordinary Items		0	0
IX.	<b>Profit before tax (VII- VIII)</b>		<b>85,84,536</b>	<b>1,07,87,511</b>
X	Tax expense:			
	(1) Current tax		15,25,000	25,00,000
	(2) Deferred tax		-47,313	10,28,463
XI	<b>Profit (Loss) for the period from continuing operations (VII-VIII)</b>		<b>71,06,849</b>	<b>72,59,048</b>
XIV	<b>Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)</b>		0	0
XV	<b>Profit (Loss) for the period (XI + XIV)</b>		<b>71,06,849</b>	<b>72,59,048</b>
XVI	Earnings per equity share:	27		
	(1) Basic & Diluted.		4.74	4.84
	Significant Accounting Policies	1		
	Notes forming part of the financial statements	1-29		

As per our report of even dated.

**NIRAV PATEL & CO**

Firm Regd. No.134617W

Chartered Accountants

  
(NIRAV B PATEL)

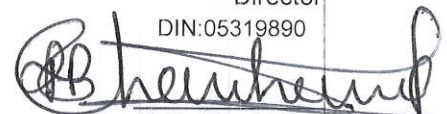
Partner.

M.No.149360

Dated : 27/12/2016

Place : Bhavnagar.

  
(Nilesh N Patel)  
Director  
DIN:05319890

  
(R B Chauhan)  
Director  
DIN:06396973



# MADHAV COPPER LIMITED.

## NOTES TO FINANCIAL STATEMENT FOR THE PERIOD ENDED 30TH SEPTEMBER 2016

### NOTES No.2. SHARE CAPITAL :

	AS AT 30.09.2016 Amount `	AS AT 31.03.2016 Amount `
<b>1 Authorised Shares:authorized;</b>		
15,00,000 Equity Shares of Rs.10/- each.	1,50,00,000	1,50,00,000
	<u>1,50,00,000</u>	<u>1,50,00,000</u>
<b>2 Issued, subscribed and fully paid Shares</b>		
15,00,000 Equity Shares of Rs.10/- each.	1,50,00,000	1,50,00,000
	<u><b>1,50,00,000</b></u>	<u><b>1,50,00,000</b></u>

### 3 Subscribed but not fully paid Shares

### 3 Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period;

#### Equity Shares

At the beginning of the period

Issued during the period

Outstanding at the end of the period

No, of Share	No, of Share
15,00,000	15,00,000
0	0
<u>15,00,000</u>	<u>15,00,000</u>

### 4 Terms & Right attached to Equity Shares & Preference shares

Equity Shares: The company has one class of equity shares having a par value of Rs.10/- each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Director is subject to approval of the shareholders in the ensuing Annual General Meeting except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportionate to their shareholding.

### 5 Shares in the company held by each shareholder holding more than 5 percent shares specifying the number of shares held

	AS AT 30.09.2016 No. of Shares	AS AT 31.03.2016 No. of Shares
a) Equity Shares, fully paid up:		
Nilesh Natubhai Patel (% of Share held : 15%)	2,25,000	2,25,000
Rohitbhai B Chauhan (% of Share held : 10%)	6,00,000	6,00,000
Divya Arvindbhai Patel (% of Share held : 10%)	1,50,000	1,50,000
Rajeshbhai Odhavajibhai Patel (% of Share held : 10%)	1,50,000	1,50,000
Sanjayabhai N. Patel (% of Share held : 10%)	2,25,000	2,25,000
Vishal Talshibhai Monpara (% of Share held : 10%)	1,50,000	1,50,000

### NOTES No.3. RESERVES AND SURPLUS :

	AS AT 30.09.2016 Amount `	AS AT 31.03.2016 Amount `
<b>a) Reserves and Surplus:</b>		
1 Capital Subsidy	15,00,000	15,00,000
<b>a) Surplus/(Deficit) in the statement of Profit &amp; Loss</b>		
Opening Balance as per last financial statement	79,84,044	7,24,996
Add: Profit/(Loss) for the year	71,06,849	72,59,048
<b>Closing Balance</b>	<u><b>1,50,90,892</b></u>	<u><b>79,84,044</b></u>
<b>TOTAL: RESERVES AND SURPLUS</b>	<u><b>1,65,90,892</b></u>	<u><b>94,84,044</b></u>

# MADHAV COPPER LIMITED.

## NOTES TO FINANCIAL STATEMENT FOR THE PERIOD ENDED 30TH SEPTEMBER 2016

### NOTES No.4. LONG-TERM BORROWINGS :

	AS AT 30.09.2016 Amount `	AS AT 31.03.2016 Amount `
1 Term loans		
From Bank (Secured)		
From Bank of Baroda	1,74,81,000	1,04,53,000
Less: Current maturities of long-term debt	-52,13,994	-42,13,992
	<u>1,22,67,006</u>	<u>62,39,008</u>
2 Loans and advances from related parties (Unsecured).	77,08,000	1,57,08,000
<b>TOTAL: LONG-TERM BORROWINGS</b>	<b><u>1,99,75,006</u></b>	<b><u>2,19,47,008</u></b>
a) Term Loan from Bank of Baroda is secured by the hypothecation of all plant & machinery, factory building and guaranteed by the Directors of the company repayable in 60 monthly installment.		

### NOTES No.5. DEFERRED TAX LIABILITIES (NET) :

	AS AT 30.09.2016 Amount `	AS AT 31.03.2016 Amount `
<b>Deferred Tax Liabilities</b>		
Fixed Assets: Impact of difference between Book and Tax Depreciation	9,81,151	10,28,463
<b>Gross Deferred Tax Liabilities</b>	<b><u>9,81,151</u></b>	<b><u>10,28,463</u></b>
<b>Deferred Tax Assets</b>		
Carried Forward Loss	0	0
<b>Gross Deferred Tax Assets</b>	<b><u>0</u></b>	<b><u>0</u></b>
<b>TOTAL: DEFERRED TAX ASSETS (NET)</b>	<b><u>9,81,151</u></b>	<b><u>10,28,463</u></b>

In accordance with accounting standard 22, Accounting for taxes on Income, issued by the Institute of Chartered Accountants India, the Deferred Tax Assets (net of Liabilities) is provided in the books of account as at the end of the year.

### NOTES No.6. SHORT-TERM BORROWINGS :

	AS AT 30.09.2016 Amount `	AS AT 31.03.2016 Amount `
1 Loans repayable on demand:		
Cash Credit From Bank (Secured)		
From Bank of Baroda	6,08,28,207	3,31,80,151
<b>TOTAL: SHORT-TERM BORROWINGS</b>	<b><u>6,08,28,207</u></b>	<b><u>3,31,80,151</u></b>
Cash Credit Loan from Bank of Baroda is secured by the hypothecation of inventories and book debt of the company.		

### NOTES No.7. TRADE PAYABLES :

	AS AT 30.09.2016 Amount `	AS AT 31.03.2016 Amount `
Trade Payables	3,86,62,459	29,98,389
<b>TOTAL: TRADE PAYABLES</b>	<b><u>3,86,62,459</u></b>	<b><u>29,98,389</u></b>

In the absence of any information from vendor's regarding the status of their registration under the "micro small and medium Enterprise Development ACT 2006 " the company is unable to comply with the disclosing required to be made under the said Act.



# MADHAV COPPER LIMITED.

## NOTES TO FINANCIAL STATEMENT FOR THE PERIOD ENDED 30TH SEPTEMBER 2016

### NOTES No.8. OTHER CURRENT LIABILITIES :

	AS AT 30.09.2016 Amount `	AS AT 31.03.2016 Amount `
1 Current maturities of long-term debt	52,13,994	42,13,992
1 Income received in advance/Advance from Customers	1,41,68,364	0
2 Other Payables:		
Statutory liabilities	25,78,980	5,51,449
Others.	2,27,500	2,08,080
	<u>28,06,480</u>	<u>7,59,529</u>
<b>TOTAL: OTHER CURRENT LIABILITIES</b>	<b><u>2,21,88,838</u></b>	<b><u>49,73,521</u></b>

### NOTES No.9. SHORT-TERM PROVISIONS :

	AS AT 30.09.2016 Amount `	AS AT 31.03.2016 Amount `
Others:		
Provision for Taxation.	40,25,000	25,00,000
	<u>40,25,000</u>	<u>25,00,000</u>
<b>TOTAL: SHORT-TERM PROVISIONS</b>	<b><u>40,25,000</u></b>	<b><u>25,00,000</u></b>

MADHAV COPPER LIMITED.

NOTES TO FINANCIAL STATEMENT FOR THE PERIOD ENDED 30TH SEPTEMBER 2016

NOTES No.10. (I) TANGIBLE ASSETS :

Description	G R O S S				DE PRECIATION/AMORTIZATION				NET CARRYING BALANCE	
	As at 01-04-2016	Addition.	Disposed	As at 30/09/2016	As at 01-04-2016	For the Year	Disposed	As at 30/09/2016	As at 30/09/2016	AS AT 31.03.2016
1 Land.	9,53,270	0	3,35,372	6,17,898	0	0	0	0	6,17,898	9,53,270
2 Factory Building.	66,28,259	0	13,17,456	53,10,803	14,20,534	2,47,651	3,03,015	13,65,170	39,45,633	52,07,725
3 Plant & Machinery	2,28,75,552	0	0	2,28,75,552	38,93,399	6,84,117	0	45,77,516	1,82,98,036	1,89,82,153
4 Office Equipments	75,528	17,250	0	92,778	36,795	5,132	0	41,927	50,851	38,733
5 Computers & Peripherals	3,58,518	70,750	0	4,29,268	1,90,145	21,584	0	2,11,729	2,17,539	1,68,373
6 Electrical Installation	4,51,076	0	0	4,51,076	1,62,158	37,522	0	1,99,680	2,51,396	2,88,918
7 Vehicle truck	0	2,27,757	0	2,27,757	0	3,118	0	3,118	2,24,639	0
8 Plant & Machinery (WIP)	0	1,56,82,977	0	1,56,82,977	0	0	0	0	1,56,82,977	0
9 Furniture & fixture	0	31,600	0	31,600	0	1,094	0	1,094	30,506	0
<b>TOTAL</b>	<b>3,13,42,203</b>	<b>1,60,30,334</b>	<b>16,52,828</b>	<b>4,57,19,709</b>	<b>57,03,031</b>	<b>10,00,217</b>	<b>3,03,015</b>	<b>64,00,233</b>	<b>3,93,19,476</b>	<b>2,56,39,172</b>
<b>Previous Year Total</b>	<b>2,40,57,615</b>	<b>64,77,566</b>	<b>0</b>	<b>3,05,35,181</b>	<b>12,02,998</b>	<b>22,88,041</b>	<b>0</b>	<b>34,91,039</b>	<b>2,70,44,142</b>	<b>2,28,54,617</b>



# MADHAV COPPER LIMITED.

## NOTES TO FINANCIAL STATEMENT FOR THE PERIOD ENDED 30TH SEPTEMBER 2016

### NOTES No.11. LONG-TERM LOANS AND ADVANCES :

	AS AT 30.09.2016 Amount `	AS AT 31.03.2016 Amount `
<b>1 Security Deposits:</b>		
a Unsecured, considered good;	5,75,797	15,36,934
	<b>5,75,797</b>	<b>15,36,934</b>
<b>TOTAL: LONG-TERM LOANS AND ADVANCES</b>	<b>5,75,797</b>	<b>15,36,934</b>

### NOTES No.12. OTHER NON-CURRENT ASSETS :

	AS AT 30.09.2016 Amount `	AS AT 31.03.2016 Amount `
<b>Other Non-Current Assets:</b>		
Deposits with maturity more than 12 months	43,11,658	12,45,270
	<b>43,11,658</b>	<b>12,45,270</b>
<b>TOTAL: OTHER NON-CURRENT ASSETS</b>	<b>43,11,658</b>	<b>12,45,270</b>

### NOTES No.13. INVENTORIES :

	AS AT 30.09.2016 Amount `	AS AT 31.03.2016 Amount `
- Raw Materials.	41,23,525	1,46,39,055
- Finished goods.	1,00,73,294	69,27,874
- Trading goods	9,877	0
- Consumables.	0	0
<b>TOTAL: INVENTORIES</b>	<b>1,42,06,696</b>	<b>2,15,66,929</b>

Raw materials and Consumables are valued at cost on FIFO method.

Finished goods are valued at lower of Cost or Net Realizable Value.

The quantity and value of the stock as taken & certified by the management of the company.

# MADHAV COPPER LIMITED.

## NOTES TO FINANCIAL STATEMENT FOR THE PERIOD ENDED 30TH SEPTEMBER 2016

### NOTES No.14. TRADE RECEIVABLES :

	AS AT 30.09.2016 Amount `	AS AT 31.03.2016 Amount `
<b>1 Trade Receivables</b>		
Unsecured, considered good unless stated otherwise		
O/s for period exceeding 6 months from the date of due:	0	0
Other Receivables:	7,84,26,403	3,51,14,770
<b>TOTAL: TRADE RECEIVABLES</b>	<b>7,84,26,403</b>	<b>3,51,14,770</b>

### NOTES No.15. CASH AND CASH EQUIVALENTS :

	AS AT 30.09.2016 Amount `	AS AT 31.03.2016 Amount `
<b>Cash and cash equivalents:</b>		
Balances with banks;		
On current accounts	4,446	6,251
Cash on hand	7,01,037	2,57,839
	7,05,483	2,64,090
<b>TOTAL: CASH AND CASH EQUIVALENTS</b>	<b>7,05,483</b>	<b>2,64,090</b>

### NOTES No.16. SHORT-TERM LOANS AND ADVANCES :

	AS AT 30.09.2016 Amount `	AS AT 31.03.2016 Amount `
<b>Other loans and advances: (Unsecured, considered good)</b>		
a Advance to suppliers of goods & services.	3,66,28,264	29,64,902
b Balance with Govt. Authority	3,25,246	2,48,426
<b>TOTAL: SHORT-TERM LOANS AND ADVANCES</b>	<b>3,69,53,510</b>	<b>32,13,328</b>

### NOTES No.17. OTHER CURRENT ASSETS :

	AS AT 30.09.2016 Amount `	AS AT 31.03.2016 Amount `
<b>2 Other Assets:</b>		
a Advance payment of Income tax (Net of Provisions)	37,52,531	23,60,413
b Interest Subsidy Receivable	0	1,70,670
	37,52,531	25,31,083
<b>TOTAL: OTHER CURRENT ASSETS</b>	<b>37,52,531</b>	<b>25,31,083</b>



**MADHAV COPPER LIMITED.**

**NOTES TO FINANCIAL STATEMENT FOR THE PERIOD ENDED 30TH SEPTEMBER 2016**

**NOTES No.18. REVENUE FROM OPERATIONS :**

	01.04 To 30.09 Amount `	2015-2016 Amount `
<b>Sales of Products</b>		
- Sales (Manufactured goods.)	16,28,83,443	35,59,81,893
- Sales Trading Goods	7,28,08,710	0
	<b>23,56,92,153</b>	<b>35,59,81,893</b>
<b>Other Operating Revenue</b>		
Others:		
Export Incentives	0	32,228
Foreign Exchange gain (Export)	0	13,336
Kasar/discount Old outstanding w/off	2,650	1,44,408
	<b>2,650</b>	<b>1,89,972</b>
<b>Revenue From operations ( Gross)</b>	<b>23,56,94,803</b>	<b>35,61,71,865</b>
<b>TOTAL: REVENUE FROM OPERATIONS</b>	<b>23,56,94,803</b>	<b>35,61,71,865</b>
<b>Details of Sales of Products:</b>		
- Copper wire	23,56,92,153	35,59,81,893

**NOTES No.19. OTHER INCOME :**

	01.04 To 30.09 Amount `	2015-2016 Amount `
Interest Income	1,32,552	5,74,679
<u>Other non-operating income:</u>		
Insurance Claim Received	0	1,59,337
Profit on Sale of Assets	6,81,556	0
<b>TOTAL: OTHER INCOME</b>	<b>8,14,108</b>	<b>7,34,016</b>

**NOTES No.20. COST OF MATERIALS CONSUMED :**

	01.04 To 30.09 Amount `	2015-2016 Amount `
<b>Materials Consumed:</b>		
Inventory at the beginning of the year	1,46,39,055	1,02,28,958
Add: Purchases	13,75,35,276	32,29,62,468
	15,21,74,331	33,31,91,426
Less: Inventory at the end of the year	-41,23,525	-1,46,39,055
<b>TOTAL:</b>	<b>14,80,50,806</b>	<b>31,85,52,371</b>
Indigenous in %	86.38%	86.38%
Imported in %	13.62%	13.62%

**NOTES No.. PURCHASES OF STOCK-IN-TRADE :**

	01.04 To 30.09 Amount `	2015-2016 Amount `
Trading Goods	7,20,06,950	0
<b>TOTAL:</b>	<b>7,20,06,950</b>	<b>0</b>
<b>Particulars of Purchases of Stock in Trade</b>		
- Copper Flat Scrap	7,20,06,950	0

# MADHAV COPPER LIMITED.

## NOTES TO FINANCIAL STATEMENT FOR THE PERIOD ENDED 30TH SEPTEMBER 2016

### NOTES No.21. CHANGES IN INVENTORIES OF FINISHED GOODS WORK-IN-PROGRESS AND STOCK-IN-TRADE :

	01.04 To 30.09 Amount `	2015-2016 Amount `
<b>Inventories at the end of the year</b>		
Finished Goods	75,49,907	63,56,562
Trading Goods	9,877	0
Copper Scrap	25,23,387	5,71,312
	<b>1,00,83,171</b>	<b>69,27,874</b>
<b>Inventories at the beginning of the year</b>		
Finished Goods	63,56,562	1,37,77,717
Copper Scrap	5,71,312	3,92,162
Trading Goods	0	0
	<b>69,27,874</b>	<b>1,41,69,879</b>
<b>TOTAL CHANGE (Net)</b>	<b>-31,55,297</b>	<b>72,42,005</b>

### NOTES No.22. EMPLOYEE BENEFITS EXPENSE :

	01.04 To 30.09 Amount `	2015-2016 Amount `
Salaries, Wages & bonus	15,23,790	19,36,700
Staff welfare expenses	724	989
<b>TOTAL: EMPLOYEE BENEFITS EXPENSE</b>	<b>15,24,514</b>	<b>19,37,689</b>

### NOTES No.23. FINANCE COSTS :

	01.04 To 30.09 Amount `	2015-2016 Amount `
Interest	43,96,556	75,52,762
Bank charges & commission	8,65,265	5,57,201
<b>TOTAL: FINANCE COSTS</b>	<b>52,61,821</b>	<b>81,09,963</b>

### NOTES No.24. DEPRECIATION AND AMORTIZATION EXPENSE :

	01.04 To 30.09 Amount `	2015-2016 Amount `
Depreciation/Amortization of tangible assets	10,00,217	22,11,992
<b>Total Depreciation And Amortization Expense</b>	<b>10,00,217</b>	<b>22,11,992</b>

### NOTES No.25. OTHER EXPENSES :

	01.04 To 30.09 Amount `	2015-2016 Amount `
<b>Manufacturing expenses.</b>		
Factory Expenses.	2,543	19,898
Freight.	2,71,100	5,01,651
Motive Power.	18,78,851	46,89,123
Lab & Qc Expenses	8,730	74,565
Stores & Consumables.	3,82,394	78,301
Machinery Repairs & Maintenance	3,500	11,80,841
Packing Materials	3,27,444	4,43,070
Vat Credit Reduction.	15,173	16,584
	<b>28,89,735</b>	<b>70,04,033</b>



# MADHAV COPPER LIMITED.

## NOTES TO FINANCIAL STATEMENT FOR THE PERIOD ENDED 30TH SEPTEMBER 2016

### Administrative expenses.

Advertisement Exp.	13,000	15,000
Audit Fees.	0	29,500
Clearing & forwarding charges	0	38,822
Speculation Loss F & O	0	45,027
Loss from Copper Hedging	0	1,37,344
Insurance Exp.	90,353	33,060
Membership & Subscription.	16,627	2,36,587
Telephone & Postage.	52,491	89,727
Rent, Rates & Taxes.	81,605	1,07,285
Legal & Prof. Fees.	2,92,778	1,76,583
Office Expenses.	700	132
Stationery & Printing.	11,090	19,283
Security Expense	0	1,30,234
Traveling & Conveyance	90,000	1,733
	<b>6,48,644</b>	<b>10,60,317</b>
<b>TOTAL: OTHER EXPENSES</b>	<b>35,38,379</b>	<b>80,64,350</b>

### Payment to auditor includes

As auditor	0	29,500
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### Value of Stores & Consumables Consumed in Percentage

Indigenous	100.00%	100.00%
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### NOTES No.26. EXCEPTIONAL ITEMS :

	01.04 To 30.09 Amount `	2015-2016 Amount `
Excess Provision Written Back/Prior Period Item.	-3,03,015	0
Prior Period Income	0	0
<b>TOTAL: EXCEPTIONAL ITEMS</b>	<b>-3,03,015</b>	<b>0</b>

### NOTES No.27. EARNINGS PER EQUITY SHARE: :

	01.04 To 30.09 Amount `	2015-2016 Amount `
<b>Total operations for the year</b>		
Profit/(loss) after tax	71,06,849	72,59,048
<b>Net profit/(loss) available for equity shareholders</b>	<b>71,06,849</b>	<b>72,59,048</b>
Weighted average number of equity shares in calculating basic EPS	15,00,000	15,00,000
Weighted average number of equity shares in calculating diluted EPS	15,00,000	15,00,000
<b>Earning Per Share:</b>		
(1) Basic & Diluted.	4.74	4.84

### NOTES No.28. CONTINGENT LIABILITIES :

28.1 Bill discounted with Bank at the end of the year: Rs.Nil. (Prev.year Rs.Nil.).

28.2 Estimated amount of contracts remaining to be executed on capital account amount to Rs.Nil- (Prev.year Rs.Nil.)

### NOTES NO.29:

29.1 In the opinion of the Board of Directors, the current assets, loans and advances are approximately of the same value if realised in the ordinary courses of business and the provision for all known liabilities is adequately made and not in excess of the amount reasonably consider necessary.

29.2 The figures and groupings of the previous year are regrouped whenever necessary so as to make them comparable with the current year.

29.3 Paises have been rounded off to the nearest rupee amount.



# **MADHAV COPPER LTD.**

## **NOTE: 1 FORMING PART OF THE FINANCIAL STATEMENTS** **: SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS**

### **A. SIGNIFICANT ACCOUNTING POLICIES**

#### **1. Basis of Accounting and Preparation of Financial Statements**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, r.w. Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention and are consistent with those followed in the previous year.

#### **2. Use of Estimates**

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known/materialize.

#### **3. Cash Flow Statements**

Cash flows are reported using the indirect method as set out in accounting standard -3 on cash flow statement issued by the institute of chartered accountants of india.

#### **4. Depreciation and Amortization**

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on tangible fixed assets has been provided on the WDV method as per the useful life prescribed in Schedule II to the Companies Act, 2013. The company has reverse the proportionate depreciation of Rs. 3,03,015/- of building which is compulsory acquired by the NHAI.

#### **5. Revenue Recognition**

Income from sales of goods is recognized upon passage of risks and rewards of ownership to the goods, which generally coincide with the dispatch.

#### **6. Fixed Assets**

Fixed assets are carried at cost less accumulated depreciation/amortization and impairment losses, if any. The cost of fixed assets comprises its acquisition price and relevant costs to bring it in position for intended use. Subsequent expenditure on fixed assets after its purchase/completion is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance. NHAI has



## **MADHAV COPPER LTD.**

compulsory acquired the land and has paid the compensation of Rs. 23,34,384 against the same land and building attached thereto.

### **7. Earnings per Share**

Basic earnings per share is computed by dividing the profit/(loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year.

### **8. Taxes on Income**

#### **Current Tax**

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

#### **Differed Tax**

Deferred tax is recognized on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognized for all timing differences. Deferred tax assets are recognized for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realized. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realize the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their reliability.

### **9. Provision of Contingent Liabilities**

As the information given us from the management that there is no contingent liability as on Balance Sheet date.

### **10. Retirement benefits to employee**

The liability on account of Gratuity is provided on the basis of actuarial valuation at the year-end is not in practice during the year.

### **11. Stock In Trade**

Stock of Raw Material and other stock of manufacturing purchase are valued at Cost and the value of the same is 41,23,525/-. Stock of Finished goods & Traded Goods and scrap are valued at Cost or market value whichever is lower and the value of the same is 1,00,83,171/-.



# MADHAV COPPER LTD.

## B. NOTES TO THE ACCOUNTS

### 1. Related Party Disclosures: (as identified and certified by the management)

#### a) List of Related Parties

i)	Subsidiary Companies	Nil
ii)	Associate Companies/firms	Nil
iii)	Key Management Personal	Shri Nileshbhai N. Patel –Director Shri Rohitbhai B. Chauhan – Director Shri Divya A. Monpara – Director

#### b) Relatives of Key Management Personal

i)	Executive officer	Nil
ii)	Executive Staff	Nil

#### c) Related Party Transactions:

Particulars	Associates Companies	Key Management Personal	Total
Shri Nileshbhai N. Patel	-----	0	0
Shri Rohitbhai B. Chauhan	-----	0	0
Shri Divya A. Monpara	-----	0	0

### 2. Payments to Auditors and Directors

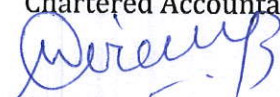
PAYMENTS TO AUDITORS		2015-16
Tax Audit Fees		14500
Audit Fees		15000
<b>Total</b>		<b>29500</b>
PAYMENTS TO DIRECTOR		-
		-

3. Previous Year's figures have been regrouped / reclassified wherever considered necessary to make them comparable with the current year figures.

Signatures to Notes 2 to 29 of profit & loss and Balance Sheet.

As per our report of even date

For, NIRAV PATEL & CO.  
Chartered Accountants

  
[CA. Nirav B Patel]

Partner.

M.No. 149360

FRN. 134617W

For and on behalf of Board  
MADHAV COPPER LTD.

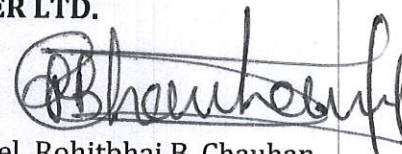


Nileshbhai N. Patel (Director)

(CIN:05319890)

Place: Bhavnagar.

Date : 27/12/2016



Rohitbhai B. Chauhan (Director)

(CIN:06396973)