

**5th**  
**ANNUAL REPORT**

**2016-2017**

**PRECISION METALIKS PRIVATE LIMITED**  
**# 6-3-855/10/A, FLAT NO.4A, SAMPATHJI**  
**APARTMENTS, SAADAT MANZIL, AMEERPET,**  
**Hyderabad - 500016.**

**GOVERNING BOARD**

***Directors***

Mrs. Jayanthi Roja Ramani  
Mrs. Padmaja Nandigana

- Director  
- Director

***Auditors***

M/s. K.S.P. Raju & Associates,  
Chartered Accountants

***Regd. Office***

# 6-3-855/10/A, Flat No.4A, Sampathji Apartments, Saadat Manzil,  
Ameerpet, Hyderabad - 500016

## **NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE** is hereby given that the 5<sup>th</sup> Annual General Meeting of shareholders of M/s. Precision Metaliks Private Limited will be held on Friday, the 29<sup>th</sup> September, 2017 at 11.30 A.M at the Registered Office of the Company at # 6-3-855/10/A, Flat No.4A, SampathjiApartments, Saadat Manzil, Ameerpet, Hyderabad - 500016 to transact the following business:

### **ORDINARY BUSINESS:**

#### **1. ADOPTION OF AUDITED ANNUAL ACCOUNTS FOR THE YEAR 2016-17:**

To receive, consider and adopt the Balance-Sheet as on 31/03/2017, Profit and Loss Account for the year ended 31/03/2017, and the Report of the Directors and Auditors Report thereon for the said year.

#### **2. TO APPOINT AUDITORS AND TO FIX THEIR REMUNERATION:**

To consider and if thought fit, to pass with or without modification, the following Resolution as an **Ordinary Resolution**.

**“RESOLVED THAT** pursuant to the provisions of Sections 139,141 and 142 of the companies Act, 2013, M/s K.S.P. Raju & Associates, Chartered Accountants, be and are hereby appointed as the Statutory Auditors of the Company to hold the office from the conclusion of this Meeting to till the conclusion of Next Annual General Meeting of the company, on such remuneration as may be agreed upon by the Board of Directors and the Auditors, in addition to reimbursement of all out of pocket expenses in connection with the audit of the accounts of the Company from the beginning of the financial year 2017-18.”

**For and on behalf of the Board  
Precision Metaliks Private Limited**

Sd/-  
**Jayanthi Roja Ramani**  
Director

**Dated: 2<sup>nd</sup> September 2017**  
**Place: Hyderabad**

**NOTES:**

**NOTES:**

**1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER.** The instrument of Proxy in order to be effective shall be deposited at the Registered Office of the Company by not less than 48 hours before the commencement of the Meeting.

2. Members are requested to notify any change in their address to the Company at its registered office.

3. Members attending the meeting are requested to bring with them the Attendance Slip and hand over at the attendance counter at the entrance of the meeting venue.

**For and on behalf of the Board  
Precision Metaliks Private Limited**

**Sd/-  
Jayanthi Roja Ramani  
Director**

**Dated: 2<sup>nd</sup> September 2017  
Place: Hyderabad**

## **DIRECTORS' REPORT**

To,

The Esteemed Shareholders,  
**PRECISION METALIKS PRIVATE LIMITED**

The Board is pleased to present the 5<sup>th</sup> Annual Report along with audited Balance Sheet, as at 31-03-2017 and Profit and Loss Account for the year ended 31-03-2017 together with Auditors Report.

### **FINANCIAL RESULTS:**

The summarized financial results of the Company for the year 2016-17 as compared with the previous year or as follows:

(In Rupees)

<b>Particulars</b>	<b>2016-17</b>	<b>2015-16</b>
Gross Receipts	6,42,000	36,96,474
Other income	1,72,500	2,41,500
<b>Total income</b>	<b>8,14,500</b>	<b>39,37,974</b>
Total expenditure	7,51,405	39,30,701
Profit before Tax	63,095	7,271
Taxes including Deferred Tax	22,080	24,653
<b>Net Profit After Tax</b>	<b>41,015</b>	<b>(17,380)</b>

### **PERFORMANCE REVIEW**

The Company has recorded a turnover of Rs. 6,42,000/- in the current year against the turnover of Rs. 36,96,474/- in the previous financial year ending 31.03.2016. The Company has earned a profit of Rs. 41,015/- against the loss of Rs. 17,380/- in the previous year.

### **EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS:**

There were no material changes and commitments affecting financial position of the company between 31st March and the date of Board's Report.

### **CHANGE IN THE NATURE OF BUSINESS, IF ANY:**

During the period under review and the date of Board's Report there was no change in the nature of Business.

**RESERVE:**

The company has not transferred any amount to Reserves for the year under consideration.

**DIVIDEND:**

Your Directors have decided not to recommend dividend for the year.

**BOARD MEETINGS:**

The Board of Directors met 5 times during the year dated 22.04.2016, 20.07.2016, 31.08.2016, 13.12.2016 and 30.03.2017 in respect of which meetings, proper notices were given and the proceeding were properly recorded and signed in the Minutes Books maintained for the purpose.

**DIRECTORS AND KEY MANANGERIAL PERSONNEL:**

Mrs. J. Roja Ramani and Mrs. Padmaja Nandigana are Directors of the company. There is no change in Directorship during the period.

**DIRECTOR'S RESPONSIBILITY STATEMENT:**

**In pursuance of section 134 (5) of the Companies Act, 2013, the Directors hereby confirm that:**

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**STATUTORY COMPLIANCE:**

The Company has complied with the required provisions relating to statutory compliance with regard to the affairs of the Company in all respects.

**INFORMATION ABOUT THE FINANCIAL PERFORMANCE / FINANCIAL POSITION OF THE SUBSIDIARIES / ASSOCIATES/ JOINT VENTURES:**

The Company does not have any subsidiary and associated companies.

**EXTRACT OF ANNUAL RETURN:**

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in MGT 9 as a part of this Annual Report (FORMAT IN ANNEXURE I)

**AUDITORS:**

K.P.S. Raju & Associates, Statutory Auditors of the company retires at the ensuing annual general meeting and is eligible for reappointment. As required under the provisions of Section 139 of the Companies Act, 2013, the Company has received a written consent from the auditors to their re-appointment and a certificate to the effect that their re-appointment, if made, would be in accordance with the Companies Act, 2013 and the rules framed there under and that they have satisfied the criteria provided in Section 141 of the Companies Act, 2013.

The Board recommends the re-appointment of M/s. K.P.S. Raju & Associates, as the statutory auditors of the Company from the conclusion of this Annual General meeting till the conclusion of the next Annual General Meeting.

**QUALIFICATIONS; IF ANY, IN AUDIT REPORTS:**

The Board has duly reviewed the Statutory Auditor's Report on the Accounts for the year ended March 31, 2017 and has noted that the same does not have any reservation, qualification or adverse remarks. However, the Board decided to further strengthen the existing system and procedures to meet all kinds of challenges associated with the business.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:**

The required information as per Sec. 217(1) of the Companies Act 1956 is provided hereunder:

**A. Conservation of Energy : Not Applicable**

Your company's operations are not energy intensive. Adequate measures have been taken to conserve energy wherever possible by using energy efficient computers and purchase of energy efficient equipment.

## **B. Technology Absorption**

1. Research and Development (R&D) : Nil
2. Technology absorption, adoption and innovation : Nil

## **C. Foreign Exchange Earnings**

Foreign Exchange Earnings : Nil  
Foreign Exchange Outgo : Nil

### **DETAILS RELATING TO DEPOSITS, COVERING THE FOLLOWING:**

Your Company has not accepted any deposits falling within the meaning of Sec.73, 74 & 76 of the Companies Act, 2013 read with the Rule 8(v) of Companies (Accounts) Rules 2014, during the financial year under review.

### **SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS:**

During the period under review there were no significant and material orders passed by the regulators or Courts or Tribunals impacting the going concern status and the company's operations in future.

### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

The company has not given loans.

### **CREDIT & GUARANTEE FACILITIES:**

The Company has been not availing any facilities of Credit and Guarantee.

### **RELATED PARTY TRANSACTIONS:**

Particulars of Contracts or Arrangements with Related parties referred to in Section 188(1) in Form AOC- 2 as ANNEXURE – III.

### **INDUSTRY BASED DISCLOSURES AS MANDATED BY THE RESPECTIVE LAWS GOVERNING THE COMPANY**

The Company is not a NBFC, Housing Companies etc., and hence Industry based disclosures is not required.

### **EMPLOYEE RELATIONS:**

Your Directors are pleased to record their sincere appreciation of the contribution by the staff at all levels in the Company.

None of the employees is drawing Rs. 5,00,000/- and above per month or Rs.60,00,000/- and above in aggregate per annum, the limits prescribed under Section 134 of the Companies Act, 2013.



**ACKNOWLEDGEMENTS:**

Your Directors also wish to place on record their appreciation of business constituents, banks and other financial institutions and shareholders of the Company for their continued support for the growth of the Company.

**For and on behalf of the Board  
Precision Metaliks Private Limited**

**Sd/-  
JAYANTHI ROJA RAMANI**

**Director**

**Sd/-  
PADMAJA NANDIGANA**

**Director**

**Dated: 2<sup>nd</sup> September 2017  
Place: Hyderabad**

**MGT 9****Extract of Annual Return**

as on the Financial Year 31.03.2017

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

<b>I. REGISTRATION AND OTHER DETAILS:</b>			
i.	CIN:-	U74900TG2012PTC082194	
ii.	Registration Date	27/07/2012	
iii.	Name of the Company	PRECISION METALIKS PRIVATE LIMITED	
iv.	Category / Sub-Category of the Company	Company limited by shares/Non government company	
v.	Address of the Registered office and contact details:	# 6-3-855/10/A, Flat No.4A, Sampathji Apartments, Saadat Manzil, Ameerpet, Hyderabad – 500016	
vi.	Whether listed company Yes / No	No	
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	N.A.	
<b>II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:</b>			
All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-			
Sl. No.	Name and Description of main products /services	NIC Code of the Product / service	% to total turnover of the company
1.	Other non ferrous metals and articles thereof n.e.c.	99611929	100
<b>III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES: N.A</b>			
S. No	Name of the Company	CIN of the Company	Associate/ Subsidiary
1.			

<b>IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)</b>									
<b>i) Category-wise Share Holding:-</b>									
Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				%Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	%Change during the year
<b>A. Promoters</b>									
<b>(1) Indian</b>	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	%Change during the year
Individual/ HUF	0	41000	41000	100	0	41000	41000	100	0
Central Govt	0	0	0	0	0	0	0	0	0
State Govt (s)	0	0	0	0	0	0	0	0	0
Bodies Corp.	0	9000	9000	0	0	9000	9000	0	0
Banks / FI	0	0	0	0	0	0	0	0	0
Any Other....	0	0	0	0	0	0	0	0	0
<b>Sub-total (A)</b>	0	50000	50000	100	0	50000	50000	100	0
<b>(1) :-</b>									
<b>(2) Foreign</b>	0	0	0	0	0	0	0	0	0
a) NRIs – Individuals	0	0	0	0	0	0	0	0	0
b) Other – Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other....	0	0	0	0	0	0	0	0	0
<b>Sub-total (A)</b>	0	0	0	0	0	0	0	0	0
<b>(2):-</b>									
<b>Total shareholding of Promoter (A) =</b>	0	50000	50000	100	0	50000	50000	100	0

<b>(A)(1)+(A)(2)</b>									
<b>B. Public</b>									
<b>Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FII's	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Fund	0	0	0	0	0	0	0	0	0
i) Others	0	0	0	0	0	0	0	0	0
(specify)									
<b>2. Non Institutions</b>									
a) Bodies Corp.	0	0	0	0	0	0	0	0	0
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals	0	0	0	0	0	0	0	0	0
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	0	0	0	0	0	0	0	0	0
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	0	0	0	0	0	0	0	0
c) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):-	0	0	0	0	0	0	0	0	0

Total Public Shareholding (B)=(B)(1)+(B)(2)										
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	0	50000	50000	100	0	50000	50000	100	0	0

**(ii) Shareholding of Promoters**

Sl. No	Shareholder's Name	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				%Change during the year Nil
		De mat	Physical	Total	% of Total Shares	De mat	Physical	Total	% of Total Shares	
1.	J. Roja Ramani		31,000	31,000	62.00	0	31,000	31,000	62.00	0
2	Abhishek Business Pvt Ltd		9000	9000	18	0	9000	9000	18	0
3	N Padmaja		10,000	10,000	20.00	0	10,000	10,000	20.00	0

**(iii) Change in Promoters' Shareholding ( please specify, if there is no change) No change**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Share holding at the end of the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	At the beginning of the year				
	At the End of the year				

<b>(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):Nil</b>					
Sl. No.	Shareholder Name	Shareholding at the beginning of the year		Share holding at the end of the year	
2.		No. of Shares	% of total shares of The company	No. of Shares	% of total shares of the company
	At the beginning of the year				
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): Transferred to BSN Raju 16.08.2014				
	At the End of the year				
<b>(v) Shareholding of Directors and Key Managerial Personnel:</b>					
Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
1.	J.Roja Ramani	No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	31000	62.00	31000	62.00
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease(e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the End of the year	<b>31000</b>	<b>62.00</b>	<b>31000</b>	<b>62</b>
2.	N. Padmaja	No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	10000	20	10000	20
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-		
	At the End of the year	<b>10000</b>	<b>20</b>	<b>10000</b>	<b>20</b>
<b>V. INDEBTEDNESS Indebtedness of the Company including interest outstanding/accrued but not due for payment</b>					
Indebtedness at the beginning of the financial year	Secured Loans excluding deposits.	Unsecured Loans.	Deposits.	Total Indebtedness	
Principal Amount	Nil	Nil	Nil	Nil	

ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
<b>Total (i+ii+iii)</b>				
Change in Indebtedness during the financial year Addition /Reduction	Nil	Nil	Nil	Nil
Net Change	Nil	Nil	Nil	Nil
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	Nil	Nil	Nil	Nil
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
<b>Total (i+ii+iii)</b>	Nil	Nil	Nil	Nil

#### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

##### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		MD	WTD	Manager	
1.	Gross salary	Nil	Nil	Nil	Nil
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	Nil	Nil	
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil	
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	Nil		Nil	
2.	Stock Option	Nil	Nil	Nil	
3.	Sweat Equity	Nil	Nil	Nil	
4.	Commission	Nil	Nil	Nil	
	- as % of profit				
	- Others, specify...				
5.	Others, please specify	Nil	Nil	Nil	
6.	Total (A)	Nil	Nil	Nil	
7.	Ceiling as per the Act				

<b>B. Remuneration to other directors: Not Applicable</b>						
Sl. no.	Particulars of Remuneration	Name of Director				Total Amount
	3. Independent Directors	-	-	-	-	-
	· Fee for attending board / committee meetings ·					
	Commission ·					
	Others, please specify					
	Total (1)	-	-	-	-	-
	4. Other Non-Executive Directors ·	-	-	-	-	-
	Fee for attending board / committee meetings · Commission					
	· Others, please specify					
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-	-
<b>C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD</b>						
Sl. no.	Particulars of Remuneration	Key Managerial Personnel				
		CEO	Company Secretary	CFO	Total	
1.	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961					
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961					
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961					
2.	Stock Option	Nil	Nil	Nil		
3.	Sweat Equity	Nil	Nil	Nil		
4.	Commission	Nil	Nil	Nil		
	- as % of profit					
	- others, specify...					
5.	Others, please specify2	Nil	Nil	Nil		
6.	Total					



<b>VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:</b>					
<b>Type</b>	<b>Section of the Companies Act</b>	<b>Brief Description</b>	<b>Details of Penalty / Punishment/ Compounding fees imposed</b>	<b>Authority [RD / NCLT/ COURT]</b>	<b>Appeal made, if any (give Details)</b>
<b>A. COMPANY</b>					
Penalty					
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment					
Compounding					



## **INDEPENDENT AUDITORS REPORT**

To

**The Members of Precision Metaliks Limited**

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

1. We have audited the accompanying financial statements of Precision Metaliks Limited, which comprises Balance Sheet as at 31st March 2017, the Statement of Profit and Loss account for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

2. 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 provision 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 materials misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provision 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 procedure selected depends 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 assessment, 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 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 standalone financial statements.

### Opinion

4. 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 31<sup>st</sup> March 2017, and its Profit & Loss for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

5. As required by the Companies (Auditor's Report) Order, 2016 (the Order) issued by the Central Government in terms of Section 143 (11) of the Act, the reporting is not applicable.
6. 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 purpose 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 and the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone 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) In our opinion there are no observations or comments on the financial transactions, which may have an adverse effect on the functioning of the Company.
  - f) On the basis of the written representations received from the directors as on 31<sup>st</sup> March 2017 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31<sup>st</sup> March 2017 from being appointed as a directors in terms of section 164(2) of the Act.
  - g) Report on the Internal Financial Controls under Clause (1) of Sub-section 3 of section 143 of the companies Act, 2013 ("the Act")- is enclosed an annexure to this report.



h) 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. As informed to us the Company does not have any pending litigations which would impact 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 were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. There were no transactions of Specified Bank Notes in the Company during the period 09-11-2016 to 30-12-2016 but there were transactions of Non SBN'S which were mentioned in Note Number: 20.

Place: Visakhapatnam  
Date: 02.09.2017

**For K S P Raju & Associates.**  
**Chartered Accountants**



A handwritten signature in black ink, appearing to be "K S P Raju".

**(K S P Raju)**  
**Partner**  
**M No: 0203576**  
**FRN: 008532S**

**ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF 'Precision Metaliks 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 ('the Company') as of 31-Mar-2017 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. 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 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 judgment, 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 l/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 31<sup>st</sup> March 2017.

Place: Visakhapatnam  
Date: 02.09.2017

For K S P Raju & Associates.  
Chartered Accountants



*KSP*  
(K S P Raju)  
Partner  
M No: 0203576  
FRN: 008532S

PART I – Form of BALANCE SHEET

Name of the Company : Precision Metaliks Private Limited (Formerly known as Precision Metaliks Limited)  
Balance Sheet as at 31-03-2017

		( ' in Rs )	
Particulars	Note No.	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) <u>Share capital</u>	2	5,00,000	5,00,000
(b) <u>Reserves and surplus</u>	3	40,99,423	40,58,408
(c) Money received against share warrants			
<b>2 Share application money pending allotment</b>		-	-
<b>3 Non-current liabilities</b>			
(a) <u>Long-term borrowings</u>	4	10,00,000	10,00,000
(b) <u>Deferred tax liabilities (Net)</u>		-	-
(c) <u>Other Long term liabilities</u>			
(d) <u>Long-term provisions</u>			
<b>4 Current liabilities</b>			
(a) <u>Short-term borrowings</u>	5	1,41,15,940	2,40,38,107
(b) <u>Trade payables</u>	6	36,300	75,000
(c) <u>Other current liabilities</u>	7	4,830	19,751
(d) <u>Short-term provisions</u>			
<b>TOTAL</b>		<b>1,97,56,493</b>	<b>2,96,91,266</b>
<b>II. ASSETS</b>			
<b>Non-current assets</b>			
<b>1 (a) <u>Fixed assets</u></b>			
(i) <u>Tangible assets</u>	8	3,64,857	4,08,915
(ii) <u>Intangible assets</u>			
(iii) <u>Capital work-in-progress</u>			
(iv) <u>Intangible assets under development</u>			
(b) <u>Non-current investments</u>			
(c) <u>Deferred tax assets (net)</u>		1,22,87,000	4,87,000
(d) <u>Long-term loans and advances</u>		15,749	15,749
(e) <u>Other non-current assets</u>	9	-	2,38,06,615
<b>2 Current assets</b>			
(a) <u>Current investments</u>			
(b) <u>Inventories</u>			
(c) <u>Trade receivables</u>	10	32,51,000	27,33,200
(d) <u>Cash and cash equivalents</u>	11	5,94,410	11,08,877
(e) <u>Short-term loans and advances</u>		22,84,578	
(f) <u>Other current assets</u>	12	9,58,899	11,30,910
<b>TOTAL</b>		<b>1,97,56,493</b>	<b>2,96,91,266</b>

As per our attached report of even date  
For K S P RAJU & ASSOCIATES  
Chartered Accountants

Firm Reg NO: 0085325

K.S.P. RAJU  
Partner (203526)



FOR AND ON BEHALF OF THE BOARD

J. Raju Kumar

N. Padmaja

## PART II - Form of STATEMENT OF PROFIT AND LOSS

Name of the Company Precision Metaliks Private Limited(Formerly known as Precision Metaliks Limited)  
Profit and loss statement for the year ended 31-03-2017

(' in Rs)

Particulars	Note No.	Schedule	Figures for the current reporting period	Figures for the previous reporting period
I. Revenue from operations	13		6,42,000	36,96,474
II. Other income			1,72,500	2,41,500
III. Total Revenue (I + II)			8,14,500	39,37,974
IV. Expenses:				
Cost of materials consumed				
Purchases of Stock-in-Trade			36,450	27,91,281
Changes in inventories of finished goods work-in-progress and Stock-in-Trade				
Employee benefits expense	14		50,000	26,137
Finance costs				-
Depreciation and amortization expense			44,058	44,058
Other expenses	15		6,20,897	10,69,227
Total expenses			7,51,405	39,30,703
Profit before exceptional and extraordinary items and tax (III-IV)			63,095	7,271
VI. Exceptional items			-	-
VII. Profit before extraordinary items and tax (V - VI)			63,095	7,271
VIII. Extraordinary items			-	-
IX. Profit before tax (VII- VIII)			63,095	7,271
X Tax expense:				
(1) Current tax			22,080	19,751
(2) Deferred Tax				4,901
Profit (Loss) for the period from continuing operations (VII-VIII)			41,015	-17,381
XII Profit/(loss) from discontinuing operations			-	-
XIII Tax expense of discontinuing operations			-	-
Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)			41,015	-17,381
XV Profit (Loss) for the period (XI + XIV)			41,015	-17,381
XVI Earnings per equity share:				
(1) Basic			0.82	(0.35)
(2) Diluted				

As per our attached report of even date  
For K S P RAJU & ASSOCIATES  
Chartered Accountants  
Firm Reg NO: 0085325

K.S.P.RAJU  
Partner (203576)  
Visakhapatnam



FOR AND ON BEHALF OF THE BOARD

J. Raju Namani  
Director

N. Padmaja  
Director



## Notes to Financial Statements

### Note 1: Significant accounting policies

#### (i) Basis of preparation of financial statements

The financial statements are prepared in accordance with Generally Accepted Accounting Principles in India (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed 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 / Companies Act, 1956, as applicable, Accounting Standards ('AS') issued by Institute of Chartered Accountants of India (ICAI) and other generally accepted accounting principles in India. All amounts included in the financial statements are reported after rounding off to nearest rupee.

#### (ii) Use of estimates

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and the disclosure of contingent liabilities as at the date of financial statements and reported amounts of income and expenses during the year. Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognised in the year in which the estimates are revised and in any future year affected.

#### (iii) Fixed Assets

As per the requirement of AS 10, Tangible assets are stated at historical cost less accumulated depreciation and impairment loss, if any. Costs include expenditure directly attributable to the acquisition of the asset, including duties and non-refundable taxes or levies, relevant borrowing costs and any directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discount and rebate is deducted in arriving at the purchase price. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Cost of fixed assets not ready for use before the balance sheet date is disclosed as capital work-in-progress. Advances paid towards the acquisition of fixed assets outstanding as of each balance sheet date is disclosed under long term loans and advances.

#### (iv) Provisions and contingent liabilities

As per the requirement of AS 29, Provisions are recognised when the Company has a present obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of obligation. The company has no contingent liabilities and onerous contracts to disclose under this section.

#### (v) Revenue Recognition

The Company derives revenue primarily to buy, sell and import of substances and consultancy services etc. Revenue from sale of products is recognised when the significant risks and rewards of ownership has been transferred in accordance with the sales contract and it is probable that the economic benefits will flow to the company and the revenue can be reliably measured, as per AS 9.

#### (vi) Depreciation & Amortisation

The Company has provided for depreciation using straight line method over the useful life of the assets as prescribed under part C of Schedule II of the Companies Act, 2013. Depreciation is charged on pro-rata basis on all additions / deletions and on the assets that are put to use.

#### (vii) Taxes

Tax expense comprises of Current Tax and Deferred Tax. Current Tax is measured at the amount expected to be paid to the taxation authorities, on the basis of the applicable tax rates, and also taking in to consideration the tax laws, favorable judicial pronouncements / legal opinions. Deferred income tax reflect the current period timing differences majorly due to depreciation between taxable income and accounting income for the period and reversal of timing differences of earlier years/ period. Deferred tax assets are recognised only to the extent that there is a reasonable certainty that sufficient future income will be available except that deferred tax assets, in case there are unabsorbed depreciation or losses, are recognised if there is virtual certainty that sufficient future taxable income will be available to realize the same) in accordance with the provisions of AS 22.



For PRECISION METALIKS LTD.

J. Ajikumar

For PRECISION METALIKS LTD.

N. Bedanjan

(viii) Earning per share:

Basic Earnings per Share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The Company has no potential equity shares for computing diluted EPS. Hence diluted EPS is not reported.

(ix) Disclosure relating to Related Parties (AS 18):

A. Related Party Relationships:

Name of the Related Party	Nature of Relationship
J. Rojaramani	Director
N. Padmaja	Director

(xi) Previous year figures have been regrouped / rearranged wherever considered necessary.

(xii) Balance outstanding in Trade Receivables, Trade Payables, Loans and Advance are subject to confirmation by the respective parties.

Note 2: Disclosure relating to Share Capital

(i) The number and amount of shares authorized, issued, subscribed and fully paid, and subscribed but not fully paid and par value per share

Share Capital	AS at March 31, 2017		AS at March 31, 2016	
	Number	Amount	Number	Amount
Authorised Equity Shares of Rs. 10/- each	10,00,000	1,00,00,000	10,00,000	1,00,00,000
Issued, Subscribed & Fully Paid up Equity Shares of Rs. 10/- each	50,000	5,00,000	50,000	5,00,000
Total	50,000	5,00,000	50,000	5,00,000

(ii) 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.

(iii) A reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period for each class of Share

(a) Equity Shares

Particulars	AS at March 31, 2017		AS at March 31, 2016	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	50,000	5,00,000	50,000	5,00,000
Shares Issued during the year				
Shares bought back during the year				
Shares outstanding at the end of the year	50,000	5,00,000	50,000	5,00,000



For PRECISION METALIKS LTD, For PRECISION METALIKS LTD.

J. Rojaramani

N. Padmaja

(iv) Shares in the company held by each shareholder holding more than 5 percent shares

Name of Shareholder	As at 31 March 2017		As at 31 March 2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
M chowdary	-	-	-	-
Abhishek Business Pvt Ltd	9,000	18.00	9,000	18
Shekhar Movva	-	-	-	-
Srilatha Movva	-	-	-	-
Padmanayan Chirala	-	-	-	-
Usha Chirala	-	-	-	-
B.S.N.Raju	-	-	-	-
B.Venkata Satyavani	-	-	-	-
J.Roja ramani	31,000	62.00	31,000	62
N.Padmaja	10,000	20.00	10,000	20
	50,000		50,000	

Note 3: Reserves & Surplus

Reserves & Surplus	As at 31 March 2017	As at 31 March 2016
<b>a. Securities Premium Account</b>		
Opening Balance	-	-
Add : Securities premium credited on Share issue	-	-
Less : Premium Utilised for various reasons	-	-
<b>Closing Balance</b>	-	-
<b>b. Surplus</b>		
Opening balance	40,38,408	40,75,788
(+) Net Profit/(Net Loss) For the current year	41,015	-17,380
(+) Transfer from Reserves	-	-
(-) Proposed Dividends	-	-
(-) Interim Dividends	-	-
(-) Transfer to Reserves	-	-
<b>Closing Balance</b>	40,99,423	40,58,408
<b>Total</b>	40,99,423	40,58,408



For PRECISION METALIKS LTD.

J. Rajaramani

Director

For PRECISION METALIKS LTD.

N. Padmaja

Director

Note 4: Long Term Borrowings

Long Term Borrowings	As at 31 March 2017	As at 31 March 2016
<b>Secured</b>		
<b>a. Term loans</b>		
(Both the loans were fully guaranteed by directors )		
(i) From Others:		
Ocean Sparks Project Private Limited	10,00,000	10,00,000
	10,00,000	10,00,000
<b>b. Unsecured</b>		
(i) Loans and advances from related parties		
From Directors		
<b>Total</b>	<b>10,00,000</b>	<b>10,00,000</b>

Note 5: Trade Payables

Trade Payables	As at 31 March 2017	As at 31 March 2016
<b>a. Outstanding for a period more than six months from the date they are due for payment</b>	-	-
<b>b. Others</b>		
i. Secured, considered good	-	-
ii. Unsecured, considered good	1,41,15,940	2,40,38,107
iii. Unsecured, considered doubtful	-	-
<b>Total</b>	<b>1,41,15,940</b>	<b>2,40,38,107</b>

Note 6: Other Current Liabilities

Other Current Liabilities	As at 31 March 2017	As at 31 March 2016
<b>A. Other payables</b>		
TDS Payable	36,300	40,500
ROC Fee	-	-
Freight and handling payable	-	-
Vat payable	-	-
Audit Fee Payable	-	34,500
Salaries Payable	-	-
<b>Total</b>	<b>36,300</b>	<b>75,000</b>

Note 7: Short Term Provisions

Short Term Provisions	As at 31 March 2017	As at 31 March 2016
Provision For Income Tax (Net off Advance tax)	4,830	19,751
Provision for interest on tds	-	-
ROC Fee payable	-	-
<b>Total</b>	<b>4,830</b>	<b>19,751</b>



**Note 8: Long Term Loans and Advances**

Long Term Loans and Advances	As at 31 March 2017	As at 31 March 2016
(i) Abhishek business private limited		2,38,05,190
Others	-	-
(ii) Advance paid for internet connection		1,425
<b>Total</b>	<b>-</b>	<b>2,38,06,615</b>

**Note 9: Current Investments**

Current Investments	As at 31 March 2017	As at 31 March 2016
Opening balances	4,87,000	85,000
(+) New investments	-4,87,000	4,02,000
<b>Total</b>	<b>0</b>	<b>4,87,000</b>

**Note 10: Trade Receivables**

Trade Receivables	As at 31 March 2017	As at 31 March 2016
Unsecured, considered good	3251000	27,33,200
<b>Total</b>	<b>3251000</b>	<b>27,33,200</b>

**Note 11: Cash and cash equivalents**

Cash and cash equivalents	As at 31 March 2017	As at 31 March 2016
a. Balances with banks	26,978	3,90,461
b. Cheques, drafts on hand	-	-
c. Cash on hand	5,67,432	7,18,416
<b>Total</b>	<b>5,94,410</b>	<b>11,08,877</b>

**Note 12: Other Current Assets**

Cash and cash equivalents	As at 31 March 2017	As at 31 March 2016
Rent Advance	87,590	3,60,000
Rent Deposits	1,96,000	1,00,000
Deposits ( sales tax )	6,70,910	6,70,910
TDS Releivable	4399	
<b>Total</b>	<b>9,58,899</b>	<b>11,30,910</b>

**Note 13: Revenue from operations**

	For the year ended 31 March 2017	For the year ended 31 March 2016
a. Sale of products	5,73,000	36,17,474
b. Sale of services	69,000	79,000.00

Note 14: Employee Benefits Expense

Employee Benefits Expense	For the year ended 31 March 2017	For the year ended 31 March 2016
(a) Salaries and incentives	50,000	24,400
(b) Contributions to PF and other funds	-	-
(c) staff welfare	-	1,737
<b>Total</b>	<b>50,000</b>	<b>26,137</b>

NOTE 15 -Other Expenses

Particulars	As at 31 March 2017	As at 31 March 2016
	Rs	Rs
Bank charges	345	115
Local conveyance	-	7,281
Miscellaneous	150	1,835
Office maintenance	7,510	36,861
Printing & Stationary	-	1,473
Rent	3,94,000	8,10,000
Travelling & Conveyance	-	-
Visiting officer expenses	-	4,002
Advertisement	-	-
Computer expenses	7,500	-
Consultancy	-	-
Courier expenses	-	250
Legal expenses	-	-
Electricity expenses	-	14,789
Interest on TDS	-	-
Interest on VAT Output	-	-
Internet expenses	8,715	-
Repairs and maintenance	-	1,515
ROC Fee	-	-
Telephone expenses	12,477	18,813
Xerox expenses	-	-
Penalty on tds	-	-
Rates and taxes	-	-
Detention charges	-	-
Consultancy and other professional charges	1,15,700	25,400
Audit fee reimbursable	40,000	-
Audit fee	34,500	34,500
Freight & Handling-imports	-	1,12,389
written off	-	4
<b>Total</b>	<b>6,20,897.00</b>	<b>10,69,227</b>

NOTE 16 Details of Specified Bank Notes (SBN) held and transacted during the period from 9th November, 2016 to 30th December, 2016 as provided in the Table below:

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	-	8,50,732	8,50,732
(+) Permitted receipts	-	-	-
(-) Permitted payments	-	-	-
(-) Amount deposited in Banks	-	-	-
Closing cash in hand as on 30.12.2016	-	8,50,732	8,50,732



For PRECISION METALIKS LTD. For PRECISION METALIKS

**3: Fixed Assets Schedule**

Fixed Assets	Gross Block					Accumulated Depreciation				Net Block		
	Balance as at 31 March 2016	Additions/ (Disposals)	Acquired through business combinations	Revaluations (Impairments)	Balance as at 31 March 2017	Balance as at 31 March 2016	Depreciation charge for the year	Adjustment due to revaluations	On disposals	Balance as at 31 March 2017	Balance as at 31 March 2016	Balance as at 31 March 2017
Tangible Assets												
Plant and Equipment	2,35,961	-			2,35,961	1,20,579	8,732			1,29,311	1,15,382	1,06,650
Furniture and Fixtures	4,25,275				4,25,275	1,31,742	35,326			1,67,068	2,93,533	2,58,207
<b>Total</b>	6,61,236	-	-	-	6,61,236	2,52,321	44,058	-	-	2,96,379	4,08,915	3,64,857



**For PRECISION METALIKS LTD.**

*J. Vijayarani*  
Director

**For PRECISION METALIKS L.V.**

*N. Padmaja*  
Director