

To  
The Members of **MANAKSIA STEELS LIMITED**

**Report on the Ind AS Financial Statements made out as per the requirements of section 129 of the Companies Act 2013**

We have reviewed the accompanying Ind AS financial statements of **TECHNOMET INTERNATIONAL FZE** ("the Company") incorporated at Dubai, UAE, which comprise the Balance Sheet as at 31st March 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the period then ended, and a summary of significant accounting policies and other explanatory information, being made in accordance with the requirements of Indian Companies Act 2013 ("the Indian Act"), from the audited accounts of the company under the statute of the country of its incorporation, which have been relied upon by us.

**Management's Responsibility for the Ind AS Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards prescribed under Section 133 of the Indian Act.

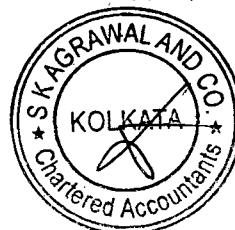
This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Indian Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making 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**

The audit was conducted under statute of country of incorporation of the company, by the local auditor at Dubai, UAE in AED currency, followed by our further verification of true and fairness of accounts drawn up in terms of requirement of Indian Act. Management has prepared the financial statements, based on the audited accounts, in accordance with the provisions of the Indian Act, in Indian Rupees. We have verified the financial statements prepared by the management, in Indian currency.

We did not audit the Ind AS financial statements of the company. These financial statements were audited by the local auditors whose reports have been furnished to us, and our opinion is based solely on the reports of other auditors.

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



# S K AGRAWAL AND CO

Chartered Accountants  
Firm Registration No. 306033E

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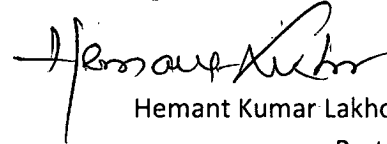
## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Indian Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs (financial position) of the Company as at 31st March, 2019, and its loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the period ended on that date.

For, S K AGRAWAL AND CO

Chartered Accountants

Firms Registration No- 306033E



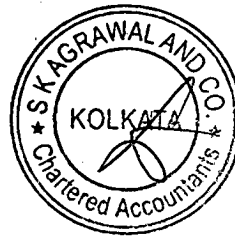
Hemant Kumar Lakhota

Partner

Membership No: 068851

Place: Kolkata

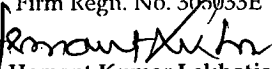
Dated: May 30, 2019



**TECHNOMET INTERNATIONAL FZE  
BALANCE SHEET**

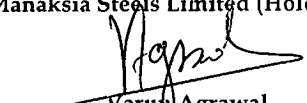
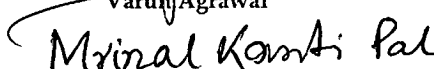
	Notes	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
<b>ASSETS</b>			
<b>I. Non-Current Assets</b>			
a) Property, Plant and Equipment	3	-	0.72
b) Capital Work-in-Progress	3	-	-
c) Financial Assets			
i) Investments	4	1,914.28	1,800.06
		<u>1,914.28</u>	<u>1,800.78</u>
<b>II. Current Assets</b>			
a) Financial Assets			
i) Trade Receivables	5	133.92	-
ii) Cash and Cash Equivalents	6	404.23	577.07
iii) Other Financial Assets	7	8.24	2.70
b) Other Current Assets	8	13.26	8.97
		<u>559.65</u>	<u>588.74</u>
<b>TOTAL ASSETS</b>		<u>2,473.93</u>	<u>2,389.52</u>
<b>EQUITY AND LIABILITIES</b>			
<b>III. Equity</b>			
a) Equity Share Capital	9	2,638.69	2,487.46
b) Other Equity	10	(232.50)	(183.79)
		<u>2,406.19</u>	<u>2,303.67</u>
<b>IV. Current Liabilities</b>			
a) Financial Liabilities			
i) Other Financial Liabilities	11	67.74	85.85
		<u>67.74</u>	<u>85.85</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>2,473.93</u>	<u>2,389.52</u>
Significant Accounting Policies	2		
Notes to Financial Statements	3-18		

As per our Report attached of even date

For S K AGRAWAL AND CO  
Chartered Accountants  
Firm Regn. No. 305033E  
  
Hemant Kumar Lakhotia  
(Partner)  
Membership No. 068851  
Kolkata  
30th day of May, 2019



For and on behalf of the Board of Directors  
of Manaksia Steels Limited (Holding Co.)

  
Varun Agrawal  
  
Mrinal Kanti Pal

**TECHNOMET INTERNATIONAL FZE**  
**STATEMENT OF PROFIT AND LOSS**

	Notes	For the Year ended March 31, 2019 ₹ in Lacs	For the period August 03, 2017 to March 31, 2018 ₹ in Lacs
<b>I. INCOME</b>			
Other Income	12	270.26	1.36
<b>Total Income</b>		<u>270.26</u>	<u>1.36</u>
<b>II. EXPENSES</b>			
Employee Benefits Expense	13	282.74	90.14
Finance Costs	14	1.67	0.28
Depreciation and Amortization Expense	3	0.76	0.70
Other Expenses	15	29.13	86.23
<b>Total Expenses</b>		<u>314.30</u>	<u>177.35</u>
<b>III. Profit before Tax</b>		<u>(44.04)</u>	<u>(175.98)</u>
<b>IV. Tax Expenses</b>			
Current Tax		-	-
Deferred Tax		-	-
<b>Total Tax Expenses</b>		<u>-</u>	<u>-</u>
<b>V. Profit for the period</b>		<u>(44.04)</u>	<u>(175.98)</u>
<b>VI. Other Comprehensive Income / (Loss)</b>		<u>-</u>	<u>-</u>
<b>VII. Total Comprehensive Income for the period</b>		<u>(44.04)</u>	<u>(175.98)</u>
<b>VIII. Basic and Diluted Earnings per Equity Share of     Face Value of AED 1 Million each</b>	15	Rs. -3.15	Rs. -12.57
Significant Accounting Policies	2		
Notes to Financial Statements	3-18		

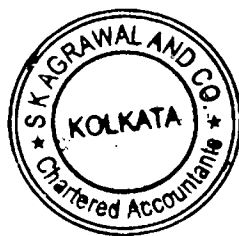
As per our Report attached of even date

For S K AGRAWAL AND CO  
Chartered Accountants  
Firm Regn. No. 306033E

Hemant Kumar Lakhotia  
(Partner)

Membership No. 068851  
Kolkata

30th day of May, 2019



For and on behalf of the Board of Directors  
of Manaksia Steels Limited (Holding Co.)

Varun Agrawal

Mrinal Kanti Pal  
Mrinal Kanti Pal

TECHNOMET INTERNATIONAL FZE  
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2019

Amount in ₹ Lacs

A. EQUITY SHARE CAPITAL

Balance as at March 31,2017	-
Changes in Equity Share Capital during the year 2017-18	2,487.46
Balance as at March 31,2018	2,487.46
Changes in Equity Share Capital during the year 2018-19	151.23
Balance as at March 31,2019	2,638.69

B. OTHER EQUITY

	Reserves & Surplus	Other Comprehensive Income	Total Other Equity
	Retained Earnings	Foreign Currency Translation Reserve	
Balance as at March 31,2017	-	-	-
Profit for the period	(175.98)	-	(175.98)
Additions during the year	-	-	-
Other Comprehensive Income	-	(7.81)	(7.81)
<b>Balance as at March 31,2018</b>	<b>(175.98)</b>	<b>(7.81)</b>	<b>(183.79)</b>
Balance as at April 01, 2018	(175.98)	(7.81)	(183.79)
Profit for the period	(44.04)	-	(44.04)
Additions during the year	-	-	-
Other Comprehensive Income	-	(4.67)	(4.67)
<b>Balance as at March 31,2019</b>	<b>(220.02)</b>	<b>(12.48)</b>	<b>(232.50)</b>

For S K AGRAWAL AND CO  
Chartered Accountants  
Firm Regn. No. 306083E  
*Hemant Kumar*  
Hemant Kumar Lakhotia  
(Partner)  
Membership No. 068851  
Kolkata  
30th day of May, 2019



For and on behalf of the Board of Directors  
of Manaksia Steels Limited (Holding Co.)

*Varun Agrawal*  
Varun Agrawal  
*Mrinal Kanti Pal*  
Mrinal Kanti Pal

## TECHNOMET INTERNATIONAL FZE

Statement of Cash Flows for the Year Ended March 31,2019

Amount in ₹ Lacs

PARTICULARS	March 31,2019	March 31,2018
<b>A CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net Profit before Tax :	(44.04)	(175.98)
Adjustment for:		
Depreciation/ Amortisation	0.76	0.70
Finance Cost (Net)	1.67	0.28
Operating Profit before Working Capital Changes	(41.61)	(175.01)
Adjustments for:		
(Increase)/Decrease in Non-Current/Current Financial and other Assets	(143.74)	(11.67)
Increase/(Decrease) in Non-Current/Current Financial and other Liabilities/Provisions	(18.11)	85.85
Cash Generated from Operations	(203.46)	(100.83)
Direct Taxes Paid	-	-
Net Cash Flow from Operating Activities	(203.46)	(100.83)
<b>B CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Property, Plant & Equipment and change in Capital work in progress	-	(1.42)
Investment in Subsidiaries	(114.23)	(1,800.06)
Net Cash Flow from/(Used in) Investing Activities	(114.23)	(1,801.47)
<b>C CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Increase in Share Capital	151.23	2,487.46
Interest Paid	(1.67)	(0.28)
Net Cash Flow From/(Used in ) Financing Activities	149.56	2,487.18
<b>D Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>(168.13)</b>	<b>584.88</b>
Cash and Cash Equivalents at the beginning of the period	577.07	-
Effect of Foreign Currency Translation during the year	(4.71)	(7.81)
Cash and Cash Equivalents at the end of the period	404.23	577.07

As per our Report attached of even date

For S K AGRAWAL AND CO

Chartered Accountants

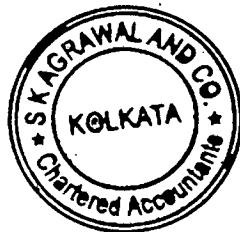
Firm Regn. No. 306033E


Hemant Kumar Lakhotia  
(Partner)

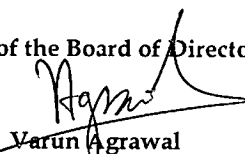
Membership No. 068851

Kolkata

30th day of May, 2019



For and on behalf of the Board of Directors


  
Varun Agrawal



Mrinal Kanti Pal

## TECHNOMET INTERNATIONAL FZE

Notes to Financial Statements as at and for the year ended March 31, 2019

### 1. Company Overview

Technomet International FZE ("the Company") was incorporated on August 03, 2017 and licenced to operate as a Free Zone Establishment (Limited Liability) in the United Arab Emirates under the General Trading Licence No. 162039 issued by the Jebel Ali Free Zone Authority, Dubai, United Arab Emirates. The Company is licenced to carry on general trading. The Company has not generated any revenue during the reporting period. The management and control of the Company is vested with Mr. Amitava Ghosh Dastidar, (Indian National) the Manager of the Company. The Registered Office of the Company is Office LB 16142 Jebel Ali, Dubai, United Arab Emirates.

### 2. Significant Accounting Policies

#### I) Basis of Preparation

These standalone financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act 2013 ("Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended. These financial statements are prepared under the historical cost convention on the accrual basis except for certain items of assets and liabilities which have been measured at their fair values.

The Company has adopted all the Ind AS and the adoption was carried out in accordance with Ind AS 101- First time adoption of Indian Accounting Standards. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with relevant Rules which was the previous GAAP.

#### II) Revenue Recognition

Revenue from sale of goods in the course of ordinary activities is recognised when all the significant risks and rewards of ownership are transferred to the buyer as per the terms of the contract and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of the goods and regarding its collection. Revenue is measured at the fair value of the consideration received or receivable and includes excise duty and are net of returns and allowances, trade discounts, volume rebates, value added tax and goods and service tax.

Dividend income is recognised when the Company's right to receive dividend is established. Interest income is recognized using the effective interest method. Effective Interest Rate is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. All other income are recognized on accrual basis.

#### III) Property, Plant & Equipment

Property, plant and equipment are stated at acquisition cost, less accumulated depreciation and accumulated impairment loss, if any. The cost of Property, Plant & Equipment comprises of its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use. Interest and other financial charges on loans borrowed specifically for acquisition of capital assets are capitalised till the start of commercial production.

Depreciation is provided on the straight line method over the estimated useful lives of assets and are in line with the requirements of Part C of Schedule II of the Companies Act, 2013. The estimated useful lives are as follows :

Furniture & Fixtures	2 Years
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Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date are classified as 'Capital Advances' under other 'Non-Current Assets' Assets and the cost of assets not put to use before such date are disclosed under 'Capital Work in Progress'.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

#### IV) Intangible Assets

Intangible Assets acquired separately are measured on initial recognition at cost. Intangible Assets acquired in a business combination is valued at their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.



**TECHNOMET INTERNATIONAL FZE**

Notes to Financial Statements as at and for the year ended March 31,2019

The useful lives of Intangible Assets are assessed as either finite or indefinite.

Intangible Assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an Intangible Asset with a finite useful life are reviewed at the end of each reporting period. The amortization expense on Intangible Assets with finite lives is recognized in the Statement of Profit & Loss. The Company amortizes intangible assets over their estimated useful lives using the straight line method.

Intangible Assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit & Loss when the asset is derecognized.

**V) Inventories**

Inventories are valued at cost or net realisable value whichever is lower except for saleable scraps, whose cost is not identifiable, which are valued at estimated net realisable value. Closing stock has been valued on Weighted Average basis. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to its location and includes, where applicable, appropriate overheads based on normal level of activity.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

**VI) Financial Instruments**

**Initial recognition and measurement**

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

**Subsequent measurement**

**i. Non derivative financial instruments**

**a) Financial assets carried at amortized cost**

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**b) Financial assets at fair value through other comprehensive income**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model.

**c) Financial assets at fair value through profit or loss**

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

**d) Financial liabilities**

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

**e) Investment in subsidiaries**

Investment in subsidiaries is carried at cost in the separate financial statements.





**TECHNOMET INTERNATIONAL FZE**

Notes to Financial Statements as at and for the year ended March 31, 2019

**ii. Derivative financial instruments**

The Company holds derivative financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income.

**Derecognition of financial instruments**

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

**VII) Fair Value Measurement**

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- i) Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- ii) Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- iii) Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

**VIII) Impairment**

Impairment is recognized based on the following principles:

**Financial Assets**

The Company recognizes loss allowances using the Expected Credit Loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to life time ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at life time ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in profit or loss.

**Non-Financial Assets**

Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the assets carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an assets fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating unit) Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of reporting period.

**IX) Provisions and Contingent Liabilities**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.



**TECHNOMET INTERNATIONAL FZE**

Notes to Financial Statements as at and for the year ended March 31, 2019

**X) Foreign Currency Transactions & Translations**

The functional currency of the Company is AED. However, for Consolidation purpose, these Financial Statements are presented in Indian Rupee (rounded off to the nearest Lacs).

Transactions in foreign currencies entered into by the company are accounted at the exchange rates prevailing on the date of the transaction. Gains & losses arising on account of realization are accounted for in the Statement of Profit & Loss.

Monetary Assets & Liabilities in foreign currency that are outstanding at the yearend are translated at the yearend exchange rates and the resultant gain/loss is accounted for in the Statement of Profit & Loss.

**XI) Cash and Cash Equivalents**

Cash and Cash Equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

**XII) Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

**XIII) Leases**

Leases under which the company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments under operating leases are recognized as an expense on a straight line basis in net profit in the Statement of Profit & Loss over the lease term.

**XIV) Government Grants**

The Company recognizes government grants only when there is reasonable assurance that the conditions attached to them shall be complied with and the grants will be received. Grants related to assets are treated as deferred income and are recognized as other income in the Statement of profit & loss on a systematic and rational basis over the useful life of the asset. Grants related to income are recognized on a systematic basis over the periods necessary to match them with the related costs which they are intended to compensate and are deducted from the expense in the statement of profit & loss.

**XV) Income Taxes**

Income tax expense is recognized in the Statement of Profit & Loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Provision for current tax is made at the current tax rates based on assessable income.

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Financial Statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. Deferred income taxes are not provided on the undistributed earnings of subsidiaries and branches where it is expected that the earnings of the subsidiary or branch will not be distributed in the foreseeable future. The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.



11/3/19

**TECHNOMET INTERNATIONAL FZE**

Notes to Financial Statements as at and for the year ended March 31, 2019

**XVII) Earnings per Share**

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

**XVII) Current and Non-current classification**

The Company presents assets and liabilities in the Balance Sheet based on current/non-current classification.

An asset is classified as current when it is:

- i) expected to be realised or intended to be sold or consumed in the normal operating cycle,
- ii) held primarily for the purpose of trading,
- iii) expected to be realised within twelve months after the reporting period, or
- iv) cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

A liability is classified as current when it is:

- i) it is expected to be settled in the normal operating cycle,
- ii) it is due to be settled within twelve months after the reporting period, or
- iii) there is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as noncurrent.

**XVIII) Dividend**

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

**XIX) Rounding of Amounts**

All amounts disclosed in the standalone Financial Statements and notes have been rounded off to the nearest Lacs (with two places of decimal) as per the requirement of Schedule III, unless otherwise stated.

Translation of accounts from the currency of country of it's incorporation AED to INR:

- a. Fixed assets are translated to INR in terms of the exchange rate ruling at the year end.
- b. Current assets have been recognized in accounts at exchange rate ruling at the year end.
- c. All outside liabilities have been recognized in accounts at exchange rate ruling at the year end.
- d. Income and expenses have been recognized in accounts in average exchange rate.
- e. Equity Shares has been recognized in accounts at the exchange rate ruling at the time of their issuance.
- f. Resulted gain/loss because of the above is accounted for as foreign currency translation reserve in the Balance Sheet.
- g. The translation for current year is done at current year prevailing rates and for previous year at previous year prevailing rates.



## TEC INOMET INTERNATIONAL FZE

Notes to Financial Statements as at and for the year ended March 31, 2019

Amount in ₹ Lacs

## 3. PROPERTY, PLANT &amp; EQUIPMENT (Current Year)

Particulars	GROSS BLOCK					DEPRECIATION / AMORTISATION					NET BLOCK	
	As at 1st April 2018	Exchange Diff. on Consolidation	Addition	Deletion/ Adjustment	As at 31st March 2019	As at 1st April 2018	Exchange Diff. on Consolidation	Deductions/ Adjustments	For the Year	Up to 31st March 2019	As at 31st March 2019	As at 31st March 2018
Intangible Assets:												
a) Furniture & Fixtures	1.42	0.09	-	-	1.51	0.70	0.04	-	0.76	1.51	0.00	0.76
Total	1.42	0.09	-	-	1.51	0.70	0.04	-	0.76	1.51	0.00	0.76
Capital Work in Progress	-	-	-	-	-	-	-	-	-	-	-	-



**TECHNOMET INTERNATIONAL FZE**

Notes to Financial Statements as at and for the year ended March 31,2019

	As at March 31,2019 ₹ in Lacs	As at March 31,2018 ₹ in Lacs
<b>4. Investments (Non-Current)</b>		
<b>Investments carried at Amortised Cost (Unquoted)</b>		
Investment in Equity Instruments in Subsidiary		
Federated Steel Mills Limited, Nigeria	1,741.82	1,637.89
Far East Steel Industries Limited, Nigeria	172.46	162.17
<b>Total</b>	<b>1,914.28</b>	<b>1,800.06</b>
<b>5. Trade Receivables</b>		
<b>Financial Assets carried at Amortised Cost (Unsecured, Considered Good)</b>		
Trade Receivables	133.92	-
<b>Total</b>	<b>133.92</b>	<b>-</b>
<b>6. Cash and Cash Equivalents</b>		
<b>Financial Assets carried at Amortised Cost</b>		
Balances with Banks	404.21	576.94
Cash on Hand	0.02	0.14
<b>Total</b>	<b>404.23</b>	<b>577.07</b>
<b>7. Other Financial Assets (Current)</b>		
<b>Financial Assets carried at amortised cost (Unsecured, Considered Good)</b>		
Security Deposits	8.24	2.70
<b>Total</b>	<b>8.24</b>	<b>2.70</b>
<b>8. Other Current Assets</b>		
<b>(Unsecured, Considered Good)</b>		
Balances with Statutory Authorities	0.43	0.04
Prepaid Expenses	12.83	8.94
<b>Total</b>	<b>13.26</b>	<b>8.97</b>



**TECHNOMET INTERNATIONAL FZE**

Notes to Financial Statements as at and for the year ended March 31,2019

	As at March 31,2019 ₹ in Lacs	As at March 31,2018 ₹ in Lacs
<b>9. Equity Share Capital</b>		
a) Authorised: 14 Shares of AED 1 Million each	2,638.69	2,487.46
	<u>2,638.69</u>	<u>2,487.46</u>
b) Issued, Subscribed and Paid-up Capital 14 Shares of AED 1 Million each fully paid up	2,638.69	2,487.46
	<u>2,638.69</u>	<u>2,487.46</u>
c) Details of shareholders holding more than 5% shares in the Company		
	As at March 31,2019	As at March 31,2018
	No. of shares	No. of shares
	%	%
<u>Name of Shareholders</u>	<u>No. of shares</u>	<u>No. of shares</u>
Manaksia Steels Limited (Holding Company)	14	14
	100.00	100.00
d) Terms/rights attached to each class of shares		
Equity Shares:		
The Company has only one class of equity shares having a par value of Rs.1/-. Each holder of equity share is entitled to one vote per share.		
In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.		
<b>10. Other Equity</b>	As at March 31,2019	As at March 31,2018
A. Surplus in the statement of profit and loss		
Opening Balance	(175.98)	-
Add : Profit for the period	(44.04)	(175.98)
Less : Transferred to General Reserve	-	-
Balance as at the end of the period	<u>(220.02)</u>	<u>(175.98)</u>
B. Other Comprehensive Income		
(i) Foreign Currency Translation Reserve		
As per last Balance Sheet	(7.81)	-
Add: Addition during the period	(4.67)	(7.81)
Balance as at the end of the period	<u>(12.48)</u>	<u>(7.81)</u>
	<u>(232.50)</u>	<u>(183.79)</u>
<b>11. Other Financial Liabilities (Current)</b>		
Financial Liabilities carried at amortised cost		
Liabilities for Expenses	67.74	85.85
Total	<u>67.74</u>	<u>85.85</u>



**TECHNOMET INTERNATIONAL FZE**

Notes to Financial Statements as at and for the year ended March 31,2019

	For the Year ended March 31,2019 ₹ in Lacs	For the period August 03, 2017 to March 31, 2018 ₹ in Lacs
<b>12. Other Income</b>		
Exchange Fluctuation	-	1.36
Other Miscellaneous Income	270.26	-
<b>Total</b>	<b>270.26</b>	<b>1.36</b>
<b>13. Employee Benefits Expense</b>		
Salaries, Wages and Bonus	282.74	90.14
<b>Total</b>	<b>282.74</b>	<b>90.14</b>
<b>14. Finance Costs</b>		
Other Borrowing Cost	1.67	0.28
<b>Total</b>	<b>1.67</b>	<b>0.28</b>
<b>15. Other Expenses</b>		
Rent	17.03	10.13
Rates & Taxes	8.55	15.38
Communication Expenses	1.15	-
Travelling & Conveyance	-	0.02
Other Miscellaneous Expenses	2.40	60.71
<b>Total</b>	<b>29.13</b>	<b>86.23</b>



TECHNOMET INTERNATIONAL FZE

Notes to Financial Statements as at and for the year ended March 31,2019

16. Earnings per share

Particulars	March 31,2019	March 31,2018
Profit as per Statement of Profit and Loss (₹ in lacs)	(44.04)	(175.98)
Weighted average number of equity shares	14	14
Nominal value per equity share (₹)	1,000,000	1,000,000
Earnings per share – Basic and Diluted (₹)	(3.15)	(12.57)

17. Related Party Disclosures

List of Related Parties :

Name of Related Party	Relation
1. Manaksia Steels Limited, India	Holding Company
2. Federated Steel Mills Limited, Nigeria	Subsidiary Company
3. Far East Steel Industries Limited, Nigeria	Subsidiary Company
4. Sri Pradeep Sankara Warriar	Director

18. Disclosures on Financial Instruments

I) Financial Instruments by Category

As at March 31, 2019	Amount in ₹ Lacs			
	Amortised Cost	Fair Value through PL	Total Carrying Value	Total Fair Value
<b>Financial Assets</b>				
Investments	1,914.28	-	1,914.28	1,914.28
Trade Receivables	133.92	-	133.92	133.92
Cash and Cash Equivalents	404.23	-	404.23	404.23
Other Financial Assets	8.24	-	8.24	8.24
<b>Total Financial Assets</b>	<b>2,460.67</b>	<b>-</b>	<b>2,460.67</b>	<b>2,460.67</b>
<b>Financial Liabilities</b>				
Other Financial Liabilities	67.74	-	67.74	67.74
<b>Total Financial Liabilities</b>	<b>67.74</b>	<b>-</b>	<b>67.74</b>	<b>67.74</b>
<b>As at March 31, 2018</b>	<b>Amount in ₹ Lacs</b>			
Particulars	Amortised Cost	Fair Value through PL	Total Carrying Value	Total Fair Value
<b>Financial Assets</b>				
Investments	1,800.06	-	1,800.06	1,800.06
Trade Receivables	-	-	-	-
Cash and Cash Equivalents	577.07	-	577.07	577.07
Other Financial Assets	2.70	-	2.70	2.70
<b>Total Financial Assets</b>	<b>2,379.83</b>	<b>-</b>	<b>2,379.83</b>	<b>2,379.83</b>
<b>Financial Liabilities</b>				
Other Financial Liabilities	85.85	-	85.85	85.85
<b>Total Financial Liabilities</b>	<b>85.85</b>	<b>-</b>	<b>85.85</b>	<b>85.85</b>

As per our Report attached of even date

For S K AGRAWAL AND CO  
Chartered Accountants  
Firm Regn. No. 305033E

Hemant Kumar Lakhota  
(Partner)  
Membership No. 068851  
Kolkata  
30th day of May, 2019



For and on behalf of the Board of Directors  
of Manaksia Steels Limited (Holding Co.)

Varun Agrawal

Mrinal Kanti Pal  
Mrinal Kanti Pal