



V. S. PATANGIA & CO.

CHARTERED ACCOUNTANTS

1/29, KHERNAGAR, BANDRA (EAST), MUMBAI - 400 051.

VIMAL PATANGIA
B.Com., F. C. A

Date :

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INDITALIA REFCON LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **INDITALIA REFCON LIMITED** (the "Company"), which comprise the Balance Sheet as at **31st March 2016**, the Statement of Profit and Loss and 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 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 thereunder.

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





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An audit involves performing procedures to obtain audit evidence about the amounts and the VIMAL PATANGIA in the financial statements. The procedures selected depend on the auditor's Judgment, B. 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 31st March 2016, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. 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, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (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 31st March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2016 from being appointed as a director in terms of Section 164 (2) of the Act.





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(f) The company has adequate internal financial controls systems in place and the same is operating effectively.

VIMAL PATANGIA

Date :

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

- i. The Company does not have any pending litigations which would impact its financial position other than an appeal for waiver of interest and penalties which is pending before the Chief Commissioner of IT (V). The Company has made adequate disclosure in this regard and our detailed comments in the matter are given in paragraph (vii)(d) of the Annexure.
- 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.

For **V. S. PATANGIA & CO.**
Chartered Accountants
(Firm Registration No. 107626 W)



Vimal Patangia

(Vimal S. Patangia)
(Proprietor)

(Membership No. 38271)

Mumbai
30th May 2016



V . S . PATANGIA & CO .

CHARTERED ACCOUNTANTS

1/29, KHERNAGAR, BANDRA (EAST), MUMBAI - 400 051.

VIMAL PATANGIA

B.Com., F.C.A.

ANNEXURE TO THE AUDITOR'S REPORT

Date :

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- a) In respect of its fixed assets : The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets. However, presently the Company has no Fixed Assets.
- b) In respect of its inventories:
 - i. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - ii. As explained to us, the Company has no commercial activity at present and therefore, has no inventories on its books.
 - iii. In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification
- c) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register required to be maintained under Section 189 of the Companies Act, 2013.
- d) According to the information and explanations given to us, the Company has not granted any loans, made any investments, or provided any guarantee or security for loans availed by any other person or body corporate etc. covered by the provisions of Sec. 185 & 186 of the Companies Act, 2013.
- e) According to the information and explanations given to us, the Company has not accepted any deposit during the year.
- f) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the products/services rendered by the Company.
- g) According to the information and explanations given to us, in respect of statutory dues we have to state as follows :-
 - a. The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees State Insurance, Income-tax, Service Tax, Cess, Duties of Customs and Central Excise and all other statutory dues applicable to it with the appropriate authorities and there were no outstanding statutory dues in arrears as on the last day of the financial year outstanding for a period of more than six months from the date they became payable.





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Date :

There is an outstanding demand for Interest and Penalties for delayed payment of Income Tax dues relating to FY 94-95 to 97-98 (4 years). The amounts consisting of interest u/s 234 and 220(2) amounted to Rs.32,00,000/- (approx). The company has disputed the claim for interest and has sought waiver of the interest from the Chief Commissioner of Income Tax (V), Mumbai. The matter is pending before the CCIT. The financial impact of an adverse decision in the appeal, if any, cannot be judged at present.

- h) In our opinion and according to the information and explanations given to us, the Company had no repayment obligation to financial institutions and banks during the year. The Company has not issued any debentures.
- i) The Company has not raised any monies from the Capital Market in recent past.
- j) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- k) The Company has paid Monthly Remuneration to Managing Director, Chief Finance Officer and Company Secretary. In view of the fact that the Company is incurring losses, the remuneration paid to the managerial personnel was approved by a Special Resolution of the shareholders of the Company as per requirement of Sec.197 read with Schedule V of the Companies Act 2013. The same was also approved by the Audit Committee and the Appointment and Remuneration Committee constituted under Sec.177 and 178 respectively of the Companies Act 2013.
- l) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- m) Transactions with Related Parties :-The Company has appointed Promoter Directors to place of profit as MD and CFO. The remuneration paid/payable for such appointment was within the limits prescribed under Rule 15(3)(ii)(b) of the Co.'s (Meetings of Board & its Powers) Rules 2014.
- n) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year..
- o) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- p) The Company is not required to be registered under section 45-1A of the Reserve Bank of India Act 1934.

For V. S. PATANGIA & CO.
Chartered Accountants
(Firm Registration No. 107626 W)



Vimal Patangia

(Vimal S. Patangia)
(Proprietor)
(Membership No. 38271)

Mumbai
30th May 2016

INDITALIA REFCON LTD.

Balance Sheet as at 31st March 2016

Particulars	Note No.	As at 31st March	As at 30th Sept.
		2016	2015
		Rs. Laes	Rs. Laes
I EQUITY AND LIABILITIES			
I SHAREHOLDERS' FUNDS			
Share Capital	1	1,190.07	1,190.07
Reserves & Surplus	2	(1,251.72)	(1,245.10)
2 NON CURRENT LIABILITIES			
Other Non current Liabilities	3	18.82	18.82
3 CURRENT LIABILITIES			
Short term borrowings	4	8.34	6.15
Other current Liabilities	5	50.12	49.16
TOTAL		15.62	19.09
II ASSETS			
4 CURRENT ASSETS	6	15.62	19.09
		15.62	19.09

See accompanying notes to the financial statements

As per our Report of even date.
For V. S. PATANGIA & CO.
Chartered Accountants



V. S. Patangia
Proprietor
Membership. No. 38271
FRN 107626W
PLACE : MUMBAI
DATE : 30.05.2016

For and on Behalf of Board

Smihal Managing Director
DIN NO. 01826116

R.K. M. Lal
Chief Fin. Officer
DIN NO. 02233220

Sachin M. S.D.N.
Company Secretary
M No. A29822



INDITALIA REFCON LTD.

Statement of Profit and Loss for the year ended 31st March 2016

Particulars	Note No.	Current Year ended	Current Year ended
		31st March 2016	30th September 2015
		Rs. Lacs	Rs. Lacs
Revenue from Operations			
Other Non-operating Income	7	0.02	1.63
Total Revenue		0.02	1.63
Expenses			
Finance Cost	8	0.55	6.77
Depreciation and Amortisation Exp.		0.00	0.00
Administrative Expenses	9	6.09	14.89
Total Expenses		6.64	21.66
Profit/(Loss) Before Exceptional items		-6.62	-20.03
Exceptional Items		0.00	0.00
Current Tax		0.00	0.00
Profit/(Loss) for the period		-6.62	-20.03
Earnings Per Share	10		
Basic		NA	NA
Diluted		NA	NA
Other Information	11		
See accompanying notes to the financial statements			

As per our Report of even date.
For V. S. PATANGIA & CO.
Chartered Accountants



Proprietor
Membership No. 38271
FRN 107626W
PLACE : MUMBAI
DATE : 30.05.2016

For and on Behalf of Board

Omited
Managing Director
DIN NO. 01826116

R.K. Mital
Chief Fin. Officer
DIN NO. 02233220

Saachi RM
Company Secretary
M No. A29822



INDITALIA REFCON LTD.
Notes to financial statements

	As at 31st March 2016	As at 30th Sept. 2015
	Rs. Lacs	Rs. Lacs
1 SHARE CAPITAL		
AUTHORISED SHARE CAPITAL		
20,000,000 Equity Shares of Rs.10 each	2,000.00	2,000.00
ISSUED, SUBSCRIBED AND PAID-UP CAPITAL		
11,900,700 Equity Shares of Rs.10 each	1,190.07	1,190.07
	1,190.07	1,190.07

- 1.1 The Company has issued only one class of shares referred to as equity shares having face value of Rs.10/-each. Each holder of equity share is entitled to one vote per share.
- 1.2 The holders of equity shares are entitled to dividends, if any, proposed by the Board of Directors and approved by Shareholders at the Annual General Meeting.
- 1.3 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. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the Shareholders.
- 1.4 The details of shareholders holding more than 5% equity shares is set out below:

Name of the Shareholder	As at 31st March 2016		As at September 30, 2015	
	No. of Shares	% held	No. of Shares	% held
Rajinder Kumar Mital	7,96,762	6.70%	7,96,762	6.70%
Sujata Mital	8,19,163	6.88%	8,19,163	6.88%
Sumit Biosciences Pvt. Ltd.	8,41,751	7.07%	8,41,751	7.07%
M/s Franchin Engg. Sri.	14,17,320	11.91%	14,17,320	11.91%
M/s Professional Financial Planning Inc.	6,03,539	5.07%	6,03,539	5.07%
	44,78,535	37.63%	44,78,535	37.63%

- 1.5 The company has not, at any time during the preceding five years issued or allotted (a) any shares as fully paid for consideration other than cash or (b) as bonus shares. Neither has the company bought back any class of shares during the said period..

	Rs. Lacs	Rs. Lacs
2 RESERVES AND SURPLUS		
SURPLUS IN THE STATEMENT OF PROFIT AND LOSS		
Opening Balance	-1,245.10	-1,225.07
Add : Profit/(Loss) for the year	-6.62	-20.03
Less : Transferred from Preliminary Exp.		
Less : Transferred from Public Issue Exp.		
Closing Balance	-1,251.72	-1,245.10
3 OTHER NON CURRENT LIABILITIES		
i) For Goods	16.07	16.07
ii) For services	2.75	2.75
	18.82	18.82
4 SHORT-TERM BORROWINGS		
i) Unsecured Loans from Related Parties		
a. From Directors		
Sujata Mital	8.34	6.15
	8.34	6.15



Notes to financial statements contd..

	As at 31st March 2016	As at 30th Sept. 2015
	Rs. Lacs	Rs. Lacs
5 OTHER CURRENT LIABILITIES		
a. Audit Fees Payable	0.23	0.11
b. Company secretarial fees Payable	0.06	0.06
c. Accounting charges Payable	0.06	0.09
d. CFO Salary payable	0.60	
e. Legal fees Payable	22.13	21.94
f. Prof. Fees Payable	24.56	24.56
g. Saachi Kukreja	0.15	0.15
h. V.S. Patangia	0.11	0.09
i. Vinayak	2.22	2.16
	50.12	49.16
6 CURRENT ASSETS		
8.1 Cash & Cash equivalents		
A. Cash on hand	1.00	0.53
B. Balances with Scheduled Banks-		
1 In current Account	1.47	3.30
	2.47	3.83
8.2 Other Balances (Fixed Deposits of original maturity more than 3 months)		
a. Under Banks Lien for OD facility	0.00	2.50
	0.00	2.50
8.3 Other Current Assets		
a. Interest accrued but not due		0.04
b. Advance Payments	13.12	12.39
c. TDS Recoverable	0.03	0.33
	13.15	12.76
	15.62	19.09
7 OTHER INCOME (NON OPERATING)		
a. Interest	0.02	1.63
b. Penalty Refund	0.00	0.00
	0.02	1.63
8 FINANCE COST		
a. Interest	0.55	6.77
b. Other	0.00	0.00
Total	0.55	6.77
9 ADMINISTRATIVE EXPENSES		
Audit fees	0.11	0.11
Company Secretarial Fees	0.00	0.06
Legal Expenses		
Listing Fees	0.29	0.20
Misc. office Exp.	0.41	1.81
Postage & Courier	0.06	1.95
Printing & stationery	0.14	2.31
Professional Fees	2.00	2.89
ROC Fees	0.01	0.40
Salaries and wages	0.18	1.38
Salary to Director	2.10	3.00
Travelling & Conveyance Exp.	0.79	0.78
Total	6.09	14.89



Notes to financial statements contd..

	As at 31st March 2016	As at 30th Sept. 2015
10 Earnings Per Share (Basic & Diluted)		
Nominal value per share	10.00	10.00
Profit/(Loss) for the year after Taxation	-	-
Weighted average Number of Equity Shares	119,00,700	119,00,700
Earnings Per Share (Basic & Diluted)	-ve	-ve
11 Other Information		
A. Significant Accounting Policies	Rs. Lacs	Rs. Lacs
a. <u>Accounting Convention</u>		
The Accounts have been prepared on historical cost basis.		
b. <u>Revenue Recognition</u>		
The company follows mercantile system of accounting and recognises income and expenditure on accrual basis.		
c. <u>Valuation of inventories</u>	NA	NA
d. <u>Diminution in Value of Investments</u>	NA	NA
e. <u>Deferred Tax Liability</u>	NA	NA
f. <u>Depreciation</u>	NA	NA
g. <u>Foreign Currency Transactions</u>		
Transactions in foreign currency are recorded at the rate of exchange prevailing on the date of transaction.		
h. <u>Retirement Benefits</u>		
There is no liability of gratuity and leave encashment or other retirement benefits on the company.		
i. <u>Tax Liability</u>		
Provision for current income tax is made at the current tax rates based on assessable income.		
B. Other information		
a. Value of imports on C.I.F. basis	NA	NA
b. Expenditure in Foreign currency on account of Royalty fees, Knowhow etc.	NA	NA
c. Value of imported raw materials spares and consumables	NA	NA
d. Proportion of (c) to total consumption	NA	NA
e. Remittances in foreign currencies for dividends etc.	NA	NA
f. Earnings in foreign Exchange		
1. FOB Value of exports	NA	NA
2. Royalty, Knowhow, Prof. Fees etc.	NA	NA
3. Interest and dividends	NA	NA
4. Other income	NA	NA



Notes to financial statements contd..

As at 31st March 2016 As at 30th Sept. 2015

C. Related Party Disclosures

Related parties with whom transactions have taken place during the year

a. Loan from Director		
1 Sujata Mittal, Managing Director	2015-16	2014-15
Repayment during the year	2.86	18.49
Balance at the end of the year	8.34	6.15
Opening Balance	6.15	14.58
Addition during the year	0.66	26.92
Repayment during the year	2.86	18.49
Balance at the end of the year	8.34	6.15

b. Company	Remuneration	
	Appointed as p.m.	Limit specified
1 Sujata Mittal	Managing Director	25,000.00
2 R.K. Mittal	Chief finance	5000.00
		2,50,000.00
		250000

*under Rule 15(3)(ii)(b) of Co.'s (Meeting of Board & its Powers) Rules, 2014

D. Contingent Liabilities & Commitments : (To the extent not provided for)

1 Liabilities	(Rs. Lacs)
Claims against the company not acknowledged as debt	
Income Tax Dues (Interest) pertaining to AYs 94-95,95-96,96-97 & 97-98, disputed by the Company, appeals pending before appropriate authority.	30.49

As per our Report of even date.
For V. S. PATANGIA & CO.

Chartered Accountants

Vinod Patangia

Proprietor
Membership No. 38271, FRN 107626W
PLACE : MUMBAI
DATE : 30.05.2016

Signature for Notes to Financial Statements
For and on Behalf of Board

Smital

Managing Director
DIN NO. 01826116

R.K. Mittal

Chief Fin. Officer
DIN NO. 02233220

Saachin SSDN.

Company Secretary
M No. A29822



INDITALIA REFCON LTD.
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March 2016

Cash Flow from operating activities	31st March 2016	30th Sept. 2015
Profit before tax from continuing operations		
Profit before tax from discontinued operations	-6.62	-20.03
Total Profit before tax	-6.62	-20.03
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation/amortization on continuing operation		
Depreciation/amortization on discontinuing operation		
Loss /(profit) on sale of fixed assets		
Provision for diminution in value of investments (Current plus other long term)		
Net gain on sale current investments		
Interest expense		
Interest income		
Dividend income		
Operating profit before working capital changes	-6.62	-20.03
Movements in working capital :		
Increase/(decrease) in trade payables		
Increase/(decrease) in long-term provisions		
Increase/(decrease) in short term provision		
Increase/(decrease) in other current liabilities	0.96	0.37
Increase/(decrease) in other long-term (Non-current) liabilities		-3.64
Decrease/(Increase) in trader receivables		
Decrease/(Increase) in inventories		
Decrease/(Increase) in long-term loans and advance		
Decrease/(Increase) in short-term loans and advances		
Decrease/(Increase) in other current assets	-0.39	0.02
Decrease/(Increase) in other non-current assets		
Cash generated from/(used in) operations	0.57	-23.28
Direct taxes paid (Net of refunds)		
Net cash flow from/(used in) operating activities (A)	-6.05	-23.28
Cash Flows from Investing activities		
Purchase of fixed assets, including intangible assets, CWIP and capital advances		
Proceeds from sale of fixed assets		
Proceeds on non-current investments		
purchase of non-current investments		
Purchase of current investments		
Proceeds from sale/maturity of current investments		
Investments in bank deposits (having original maturity of more than three months)		
Redemption/maturity of bank deposits (having or original maturity of more than three months)	2.50	32.00
Interest received		
Dividends received		
Net cash flow from /(used in) investing activities (B)	2.50	32.00



INDITALIA REFCON LTD.
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016. Contd.

Cash flow from financing activities		
Proceeds from issuance of share capital		
Proceeds from issuance of preference share capital		
Proceeds from long-term borrowings		
Repayment of long-term borrowings		
Proceeds from short-term borrowings	2.19	8.43
Repayment of short-term borrowings		
Interest paid		
Dividends paid on equity shares		
Dividend paid on preference share		
Tax on equity dividend paid		
Tax on preference dividend paid		
Net cash flow/(used in) in financing activities (C)	2.19	8.43
Net increase/(decrease) in cash and cash equivalents (A+B+C)	-1.36	0.29
currency	3.83	3.54
Cash and cash equivalents at the beginning of the year	2.47	3.83
Cash and cash equivalents at the end of the year		
Components of cash and cash equivalents		
Cash on hand	1.00	0.53
Cheques/draft on hand		
With banks-on current account	1.47	3.30
On deposit account		
Others		
Total cash and cash equivalents (Note 8.1)	2.47	3.83

Note : The Company did not have any manufacturing or trading activities during the period. The part (A) of the Cash Flow statement, therefore, reflects only the operating losses on account of continuing expenses

We have examined the Cash Flow Statement of Inditalia Refcon Limited for the period ended 31st March 2016. The statement has been prepared by the Company in accordance with the requirements of Listing Agreement Clauses 32 with the Bombay stock exchange and is based on and in agreement with the corresponding balance sheet of the Company covered by our report of even date to the members of the Company.

As per our report of even date

For V. S. Patangia & Co.
Chartered Accountants

V. S. Patangia
Proprietor
Membership. No. 38271, FRN 107626W

Place : Mumbai
Date : 30th May 2016.

For & on behalf of the Board of
Inditalia Refcon Ltd.

Smiled Managing Director
DIN NO. 01826116
R.K. Mittal Chief Fin. Officer
DIN NO. 02233220
Sachin M. B.S.D.
Company Secretary
M No. A29822



INDITALIA REFCON LIMITED

Notes to financial statements

1. Significant Accounting Policies

1.1. Accounting Convention :

- a) These accounts have been prepared in accordance with historical cost convention, applicable Accounting Standards notified under Companies (Indian Accounting Standards) Rules, 2015 and the relevant provisions of the Companies Act, 2013.
- b) The preparation of financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as on the date of the financial statements and the reported income and expenses during the reporting period.
- c) Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates.

1.2. Compliance with Accounting Standards :

The Company is complying with applicable accounting standards.

1.3. Revenue Recognition :

The Company recognizes revenue on the sale of products when the products are dispatched to the customer or when delivered to the ocean carrier for export sales, which is when the risks and rewards of ownership are passed to the customer.

1.4. Tangible Assets :

Fixed Assets are capitalised at cost inclusive of legal and/or installation expenses.

1.5. Depreciation on Tangible Assets :

Depreciation on all Fixed Assets has been calculated at the rates provided as per The Income Tax Act.

1.6. Transactions in Foreign Currency :

Transactions in foreign currency are accounted for at the rates prevailing on the date of the transaction. Premium or discount on forward exchange contracts is amortised over the life of the contract.

Foreign currency denominated monetary assets & liabilities are translated into rupees at the exchange rates prevailing at the date of the Balance sheet.



INDITALIA REFCON LIMITED

Notes to financial statements

Exchange differences arising on settlement of foreign currency transactions or restatement of foreign currency denominated monetary assets & liabilities are recognised in the Statement of Profit and Loss.

- 1.7. Closing Stock of the Company has been valued at cost price.
- 1.8. Balances of Debtors, Creditors and Unsecured Loans are subject to confirmation.
- 1.9. Earnings Per Share:

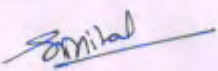
Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares as adjusted for the effects of all dilutive potential equity shares.

- 1.10. Provisions and contingencies:

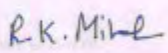
A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.

Signature for Notes to Financial Statements

For and on Behalf of the Board

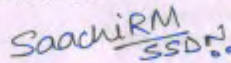

Managing Director

DIN NO. 01826116


Chief Fin. Officer

DIN NO. 02233220




Company Secretary

M No. A29822