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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS**

**TO THE MEMBERS OF  
LOYAL EQUIPMENTS LIMITED**

**REPORT ON THE FINANCIAL STATEMENTS**

1. We have audited the accompanying financial statements of **Loyal Equipments Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss, for the year ended on March 31, 2015 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 to give a true and fair view of the financial position, financial performance 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.
3. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**AUDITOR'S RESPONSIBILITY**

4. Our responsibility is to express an opinion on these financial statements based on our audit.
5. We have taken into account the provisions of the Act, and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.
6. We conducted our audit in accordance with the Standards on Auditing specified under Section 143 (10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements 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.
7. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting





estimates made by the Company's directors, as well as evaluating the overall presentation of the financial statements.

8. 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

9. 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 March 31, 2015, and its Profit for the year ended on that date.

#### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

10. As required by 'the Companies (Auditors Report) Order, 2015', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanation given to us, we give in the Annexure a statement on the matters specified in paragraph 3 and 4 of the Order.
11. As required by Section 143(3) of the Act, we report that:
- 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;
  - 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;
  - The Balance Sheet, the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account;
  - 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;
  - On the basis of the written representations received from the directors as on March 31, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164 (2) of the Act;
  - 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 knowledge and belief and according to the information and explanations given to us:
    - The Company does not have any pending litigations as at March 31, 2015.
    - The Company has made provision, as at March 31, 2015 as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
    - The Company is not liable to transfer any amounts, to the Investor Education and Protection Fund during the year ended March 31, 2015.

**Place: Ahmedabad**  
**Date: 25/05/2015**

**For, J. M. PATEL & BROS.**  
**Chartered Accountants**  
**F.R.No. 107707W**



*J. M. Patel*  
**(J. M. Patel)**  
**Proprietor**

**ANNEXURE TO THE AUDITOR'S REPORT**

**REFERRED TO IN PARAGRAPH 10 OF OUR REPORT OF EVEN DATE**

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

- i) As the Company own fixed assets vide Clause 3 (i) (a) of the Order relating to maintenance of records showing full particulars including quantitative details and situation of fixed assets, as per clause 3(i) (b) relating to physical verification thereof done by the management for which their certificate obtained.
- ii)
  - a) The inventory has been periodically verified by the Management. In our opinion, the frequency of such verification is reasonable;
  - b) The procedures explained to us, which are followed by the management for physical verification of inventories are, in our opinion is reasonable and adequate in relation to the size of the Company and the nature of its business;
  - c) On the basis of our examination of the statements of Inventory held, we are of the opinion that the Company is maintaining proper records of inventory and no material discrepancies were observed between stock and book records.
- iii) The Company has not granted unsecured loan, repayable on demand, to a Company, covered in the Registered maintained under Section 189 of the Act. The Company has not granted any secured/unsecured loans to firms or other parties covered in the Registered maintained under Section 189 of the Act.
  - a) In respect of aforesaid loans, the parties are repaying the principal amounts, as and when demanded, and are also regular in payment of interest as applicable.
  - b) In respect of the aforesaid loans, there is no overdue amount more than Rs. One Lakh.
- iv) In our opinion and according to the information and explanation given to us there are generally adequate internal control systems commensurate with the size of the Company and the nature of its business with regards to purchase of inventory and for the sale of goods and services. Further, on the basis of our examination of the books of accounts and according to the information and explanation given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in aforesaid internal control system. There were transactions of purchase of fixed assets during the period under review.
- v) The Company has not accepted any deposits from the public under the provisions of Section 73 and 74 of the Act and the rules framed there under.
- vi) We are informed that the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of the Company's activities.
- vii)
  - a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing undisputed statutory dues including, income-tax, sales tax, service tax, Value added Tax and other material statutory dues as applicable with the appropriate authorities in India, except few delay depositing the TDS.





- b) According to the information and explanations given to us and records of the Company examined by us, there are no dues which have not been deposited on account of any dispute in respect of Income-tax, Sales Tax, Service Tax, Value Added Tax, Cess.
- c) No amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 and rules made thereunder during the period under review.
- viii) The Company does not have accumulated losses at the end of the financial year and has not incurred cash losses in the financial year in the immediately preceding financial year.
- ix) According to the books of account and records of the Company, there has been no default in repayment of dues to financial institution or bank or debenture holders during the year as at the balance sheet date.
- x) According to the information and explanations given to us, and representations made by the management, the Company has not given any guarantee for loan taken by others from any bank or financial institution therefore the requirement of said clause is not applicable to the Company.
- xi) In our opinion and according to the information and explanations given to us and on an overall examination of balance sheet, the Company has taken term loan during the Financial Year therefore the requirement of said clause is applicable to the Company.
- xii) During the course of our examination of the books of account and records of the Company carried out in accordance with the generally accepted auditing practices in India and according to the information and explanation given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

**Place: Ahmedabad**  
**Date: 25/05/2015**

**For, J. M. PATEL & BROS.**  
**Chartered Accountants**  
**F.R.No. 107707W**



*J. M. Patel*  
**(J. M. Patel)**  
**Proprietor**

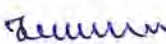
LOYAL EQUIPMENTS LTD.  
BALANCE SHEET AS ON 31/03/2015

(Rs. In Thousands)

Particulars		Note No.	FY 2014-15	FY 2013-14
I.	<b>EQUITY AND LIABILITIES</b>			
1	<b>Shareholders' funds</b>			
	(a) Share capital	2	30000.00	25000.00
	(b) Reserves and surplus	3	33630.25	19860.57
	(c) Money received against share warrants			
2	<b>Share application money pending allotment</b>			
3	<b>Non-current liabilities</b>			
	(a) Long-term borrowings	4	36989.72	20613.23
	(b) Deferred tax liabilities (Net)	5	1442.93	0.00
	(c) Other Long term liabilities			
	(d) Long-term provisions			
4	<b>Current liabilities</b>			
	(a) Short-term borrowings			
	(b) Trade payables	6	15061.33	29773.79
	(c) Other current liabilities	7	1546.00	1388.31
	(d) Short-term provisions	8	9801.56	10106.38
	<b>TOTAL</b>		<b>128471.79</b>	<b>106742.28</b>
II.	<b>ASSETS</b>			
1	<b>Non-current assets</b>			
	(a) Fixed assets	9		
	(i) Tangible assets		51283.44	25993.35
	(ii) Intangible assets		2713.59	2516.74
	(iii) Capital work-in-progress			
	(iv) Intangible assets under development			
	(b) Non-current investments	10	400.00	400.00
	(c) Deferred tax assets (net)			
2	<b>Current assets</b>			
	(a) Current investments			
	(b) Inventories	11	45088.95	37023.19
	(c) Trade receivables	12	14146.23	617.50
	(d) Cash and cash equivalents	13	1105.80	6809.29
	(e) Short-term loans and advances			
	(f) Other current assets	14	13733.79	33382.21
	<b>TOTAL</b>		<b>128471.79</b>	<b>106742.28</b>
	Contingent Liabilities & Comittments			
	<b>Significant Accounting Policies</b>	1		
	Accompanying notes form integral part of financial statements	19 - 28		

Subject to our audit report of even date:

For, J.M.Patel & Bros.  
Chartered Accountants

  
(J.M.Patel)  
M.Com, F.C.A.  
M.No 30161



Place : Ahmedabad  
Date : 25/05/2015

For, LOYAL EQUIPMENTS LTD


For, LOYAL equipments limited

Director

  
Alkesh Patel  
Managing Director  
Din No. 02672297

Director

For, LOYAL equipments limited

  
Rameshchandra Patel  
Chairman  
Din No. 01307000

LOYAL EQUIPMENTS LTD  
PROFIT AND LOSS FOR THE YEAR ENDED AS ON 31/03/2015

Particulars		Note No.	(Rs. In Thousands)	
			FY 2014-15	FY 2013-14
I.	Revenue from operations	15	148568.49	93864.11
II.	Other income	16	152.71	381.39
III.	<b>Total Revenue (I + II)</b>		148721.20	94245.50
IV.	Expenses:			
	Purchases of Stock-in-Trade		86829.85	57284.48
	Changes in inventories of finished goods work-in-progress and Stock-in-Trade		-8065.76	-10890.65
	Employee benefits expense		13618.65	9917.71
	Finance costs	17	3419.36	878.35
	Depreciation and amortization expense		10294.84	3601.21
	Other expenses	18	18525.54	17889.73
	<b>Total expenses</b>		124622.48	78680.83
V.	<b>Profit before exceptional and extraordinary items and tax (III-IV)</b>		24098.72	15564.67
VI.	Exceptional items			
VII.	<b>Profit before extraordinary items and tax (V - VI)</b>		24098.72	15564.67
VIII.	Extraordinary Items			
IX.	<b>Profit before tax (VII- VIII)</b>		24098.72	15564.67
X	Tax expense:			
	(1) Current tax		6291.71	3383.79
	(2) Deferred tax		1442.93	0.00
XI	<b>Profit (Loss) for the period from continuing operations (IX-X)</b>		16364.08	12180.88
XII	Profit/(loss) from discontinuing operations			
XIII	Tax expense of discontinuing operations			
XIV	<b>Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)</b>		0.00	0.00
XV	<b>Profit (Loss) for the period (XI + XIV)</b>		16364.08	12180.88
XVI	Earnings per equity share:			
	(1) Basic		3.44	3.45
	(2) Diluted			
	<b>Significant Accounting Policies</b> Accompanying notes form integral part of financial statements	1		

Subject to our audit report of even date:  
For, J.M.Patel & Bros.  
Chartered Accountants

(J.M.Patel)  
M.Com, F.C.A.  
M.No 30161



Place :Ahmedabad  
Date :25/05/2015

For, LOYAL EQUIPMENTS LTD

For, LOYAL equipments limited

For, LOYAL equipments limited

Director  
Alkesh P. -1  
Managing Director  
Din No. 02672297

Director  
Shandra Patel  
Chairman  
Din No. 01307699



## NOTE 1 - SIGNIFICANCE ACCOUNTING POLICIES

### 1. COMPANY OVERVIEW

Loyal Equipments Limited ('the Company') was incorporated on April 20, 2007 and is engaged in the business of manufacturing of Equipments.

### 2. SIGNIFICANT ACCOUNTING POLICIES

#### A. BASIS OF ACCOUNTING:

1. These financial statements have been prepared on accrual basis under the historical cost convention in accordance with the generally accepted accounting principles in India and comply with the Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) of Companies Act, 1956 (Companies (Accounting standards) Rules 2006, as amended) and other relevant provisions of the Companies Act, 2013.
2. All the assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in Schedule III of the Act. The Company has ascertained its operating cycle to be 12 months for the purpose of current and non-current classification of assets and liabilities.

#### B. USE OF ESTIMATES:

The preparation of the financial statements in conformity with generally accepted accounting principles, Accounting Standards notified under Section 133 of the Companies Act, 2013 and the relevant provisions thereof, requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of liabilities as at the date of financial statements and reported amounts of income and expenditure during the period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

#### C. DEPRECIATION:

1. The Company has changed the method of charging depreciation in current year, earlier the depreciation was charged as per WDV according to rates specified in Income Tax but during the year the company has charged depreciation as per W.D.V. method of Companies Act, 2013. Also the Company has recalculated the depreciation in accordance with the new method from the date of the asset coming into use. The deficiency or surplus arising from retrospective recomputation of depreciation in accordance with the new method is adjusted in the accounts in current year Therefore change the method of depreciation accordingly Rs. 9,15,456/- have been charged arrear Depreciation from date of assets put to use to F.Y. 2013-14 as prior period Expenses and charge to P&L Account due to revise calculation under new method.
2. The balances as on 31/03/2014 of fixed assets shown in Note – H are differed with balance sheet due to re-calculation of depreciation.



**D. INVESTMENTS:**

Current investments are stated at lower of cost and fair value. Long-term investments are stated at cost after deducting provisions made, if any, for diminution in the value which is other than temporary.

**E. BORROWING COST AND FINANCE CHARGES:**

Interest and other borrowing costs attributable to qualifying assets has not capitalized. Other interest and borrowing costs are charged to the revenue.

Other Finance cost incurred for raising long term borrowing is amortized over the tenure of the borrowing.

**F. INVENTORIES:**

Inventories are valued at Cost or Market Value whichever is less as certified by the management. Cost of inventories is computed on a First-in-First-Out basis.

**G. REVENUE RECOGNITION:**

Revenue from sales is recognised when significant risks and rewards of ownership have been transferred to the buyer which is normally on delivery of goods and is net of sales tax/ value added tax.

Interest is recognised on time proportion basis.

**H. TAXATION:**

Tax expense comprises of current tax and deferred tax of Rs. 14,42,930/- and same have been identified as Deferred Tax Liability.

Provision for current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the Income tax Act, 1961.

The deferred tax for timing differences between the book income and tax income for the year is accounted for, using the tax rates and laws that have been substantively enacted as of the Balance Sheet date. Deferred tax assets arising from timing differences are recognised to the extent there is reasonable certainty that these would be realized in future.

Deferred tax assets where there are unabsorbed losses and unabsorbed depreciation, are recognised only if there is virtual certainty that such deferred tax assets will be realized against future taxable income.

Deferred tax assets and liabilities are measured using the tax rates and tax law that have been enacted or substantively enacted by the Balance Sheet date.

**I. PROVISIONS, CONTINGENT LIABILITIES AND ASSETS:**

Provisions are recognised when the Company has a present obligation as a result of past events and it is more likely that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not discounted to present value and are determined based on best estimate of the expenditure 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 estimate.





Contingent Liabilities are disclosed by way of notes to the financial statements. Contingent assets are neither recognised nor disclosed in the financial statements.

**J. IMPAIRMENT OF ASSETS:**

The carrying amounts of the assets are reviewed at each balance sheet date if there is any indication of impairment based on the internal/external factors. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. An impairment loss recognised in the prior accounting periods is reversed if there has been change in the estimate of the recoverable amount.



## Notes on Balance Sheet & Profit and Loss Account as at 31/03/2015

### Note 2 Share Capital

Note (1) Authorised, Subscribed, Issued and Paid up Capital:-

(Rs. In Thousands)

Share Capital	FY 2014-15	FY 2013-14
<b>Authorised</b>		
30,00,000 Equity Shares of Rs.10 each	30000.00	30000.00
<b>Issued, Subscribed &amp; Paid up</b>		
25,00,000 Equity Shares of Rs.10 each fully paid	30000.00	25000.00

Note (2) Reconciliation of Shares Outstanding:-

Particulars	FY 2014-15	FY 2013-14
Shares outstanding at the beginning of the year	25000000	5000000
Shares Issued during the year	5000000	20000000
Shares bought back during the year	0	0
Shares outstanding at the end of the year	30000000	25000000

Note (3) \_\_\_ Equity Shares (Previous year) are held by \_\_\_, the holding company.  
Above disclosure is required for each class of Shares held by

(Not Applicable)

Note (4) List of Shareholders holding more than 5% Shares

Name of Shareholder	FY 2014-15		FY 2013-14	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Alkesh R. Patel	840000	28%	700000	28%
Jyotsnaben R. Patel	1320000	44%	1100000	44%
Rameshchandra N. Patel	840000	28%	700000	28%

### Note 3 Reserves & Surplus

Note (1) Reserve and Surplus

(Rs. In Thousands)

Reserves & Surplus	FY 2014 15	FY 2013 14
<b>(a) Capital Reserves</b>		
Opening Balance	2336.20	5730.12
Add: Current Year	3614.81	2336.20
Less : Utilized for Share Capital	0.00	5730.12
Closing Balance	5951.01	2336.20
<b>(b) Surplus</b>		
Opening balance	17524.37	19422.45
(+) Net Profit/(Net Loss) For the current year	16364.08	12180.88
(+) Transfer from IT Provision	0.00	7633.45
(-) Proposed Dividends	3000.00	5000.00
(-) Provision for Tax on Proposed Dividend	509.85	0.00
(-) Interim Dividends	0.00	0.00
(-) Transfer to Reserves	3614.81	2336.20
(-) Income Tax Provision	0.00	5106.38
(-) Adjustments	-915.45	9269.83
Closing Balance	27679.24	17524.37
<b>Total</b>	<b>33630.25</b>	<b>19860.57</b>

For, LOYAL equipments limited

For, LOYAL equipments limited



Alkesh Patel  
Managing Director  
Din No. 02672297

Rameshchandra Patel  
Chairman  
Din No. 01307699



## Note 4 Long-Term Borrowings

Note (1) Long term Borrowing

(Rs. In Thousands)

Long Term Borrowings	FY 2014-15	FY 2013-14
<b>(I) Secured</b>		
<b>(f) Long term maturities of finance lease obligations</b>		
Bank OD A/c	15724.43	0.00
Kotak Mahindra Prime Ltd.	93.31	176.6
Kotak Mahindra Loan (Secured By Hypothecation)	271.98	436.63
Small Industrial Development Bank of India (Secured by Fixed Assets)	16700.00	20000.00
	32789.72	20613.23
<b>(II) Unsecured</b>		
<b>(e) Loans and advances from related parties</b> (All of the above loans is guaranteed by Directors and / or others)	4200.00	0.00
	4200.00	0.00
<b>Total</b>	<b>36989.72</b>	<b>20613.23</b>

## Note 5 Deferred tax liabilities (Net)

Particulars	FY 2014-15	FY 2013-14
Deffered Tax	1442.93	0.00
<b>Total</b>	<b>1442.93</b>	<b>0.00</b>

## Note 6 Trade Payables

(Rs. In Thousands)

Trade Payables	FY 2014-15	FY 2013-14
Sundry Creditors for Expenses	14813.35	14169.36
Advance Received from debtors	247.98	15604.43
Sundry Creditors for Goods	0.00	0.00
<b>Total</b>	<b>15061.33</b>	<b>29773.79</b>

For, LOYAL equipments limited For, LOYAL equipments limited



*Alkesh Patel*  
Alkesh Patel  
Managing Director  
Din No. 02672297

*Ramesh Chandra Patel*  
Ramesh Chandra Patel  
Chairman  
Din No. 01307699

## Note 7 Other Current Liabilities

(Rs. In Thousands)

Other Current Liabilities	FY 2014-15	FY 2013-14
(a) Other payables (specify nature)		
Unpaid Electricity bill	72.57	120.49
Unpaid Prof. Tax	0.00	21.36
Unpaid Prov. Fund	79.81	58.97
Unpaid Salary	548.33	695.86
Unpaid Interest	180.84	298.62
Unpaid Remuneration	650.82	177.55
T.D.S Payable	13.63	15.46
<b>Total</b>	<b>1546.00</b>	<b>1388.31</b>

## Note 8 Short Term Provisions

(Rs. In Thousands)

Short Term Provisions	FY 2014-15	FY 2013-14
(a) Provision for employee benefits		
(b) Others (Specify nature)		
Equity dividends Provision	3000.00	5000.00
Dividend tax provision AY 2014-15	509.85	811.15
Income Tax Provision AY 2014-15	6291.71	4295.23
<b>Total</b>	<b>9801.56</b>	<b>10106.38</b>

For, LOYAL equipments\_limited



*Alkesh Patel*  
Alkesh Patel  
Managing Director  
Din No. 02672257

For, LOYAL equipments limited

*Rameshchandra Patel*  
Rameshchandra Patel  
Chairman  
Din No. 01307699



## Note 9 Fixed Assets

Note (1) Note no. 1 as per Schedule II to the Companies Act, 2013


	Fixed Assets	Gross Block				Accumulated Depreciation			Net Block			
		Balance as at 01/04/2014	Additions/ (Disposals)	Acquired through business combinations	Revaluations/ (Impairments)	Balance as at 31/03/2015	Balance as at 01/04/2014	Depreciation charge for the year	Adjustment due to revaluations	On disposals	Balance as at 31/03/2015	Balance as at 31/03/2014
(a)	<b>Tangible Assets</b>											
	Land/Sited	1395.31	0	0.00	0.00	1395.31	0.00	0.00	0.00	0.00	1395.31	1395.31
	Buildings	10407.88	2797.71	0.00	0.00	13205.59	1921.80	1026.06	0.00	0.00	10257.73	8486.08
	Plant and Equipment	18255.88	31052.39	0.00	0.00	49308.27	4572.57	6539.64	0.00	0.00	38106.05	13683.31
	Furniture and Fixtures	589.27	0.00	0.00	0.00	589.27	386.79	69.51	0.00	0.00	132.97	202.48
	Vehicles	3529.58	0.00	0.00	0.00	3529.58	2382.10	665.55	0.00	0.00	481.94	1147.49
	Office equipment	2874.95	0.00	0.00	0.00	2874.95	1145.64	909.87	0.00	0.00	819.44	1729.30
	<b>Total</b>	<b>37052.86</b>	<b>33850.10</b>	<b>0.00</b>	<b>0.00</b>	<b>70902.96</b>	<b>10408.90</b>	<b>9210.63</b>	<b>0.00</b>	<b>0.00</b>	<b>51283.44</b>	<b>26643.97</b>
(b)	<b>Intangible Assets</b>											
	Softwares	6374.10	1016.22	0.00	0.00	7390.32	3592.52	1084.21	0.00	0.00	2713.59	2781.58
	<b>Total</b>	<b>6374.10</b>	<b>1016.22</b>	<b>0.00</b>	<b>0.00</b>	<b>7390.32</b>	<b>3592.52</b>	<b>1084.21</b>	<b>0.00</b>	<b>0.00</b>	<b>2713.59</b>	<b>2781.58</b>
	<b>Grand Total</b>	<b>43426.97</b>	<b>34866.31</b>	<b>0.00</b>	<b>0.00</b>	<b>78293.28</b>	<b>14001.42</b>	<b>10294.84</b>	<b>0.00</b>	<b>0.00</b>	<b>53997.02</b>	<b>29425.55</b>

For, LOYAL equipments limited

  
Alkesh Patel  
Managing Director  
Din No. 02672297



For, LOYAL equipments limited

  
Rameshchandra Patel  
Chairman  
Din No. 01307699

## Note 10 NCA-Non Current Investments

(Rs. In Thousands)

Particulars	FY 2014-15	FY 2013-14
<b>(A) Other Investments</b>		
(a) Investment in Equity instruments		
The N.N.C.B.L Shares	400.00	400.00
(b) Other non-current investments (specify nature)		
Total	400.00	400.00
Less : Provision for diminution in the value of Investments	0.00	0.00
<b>Total</b>	<b>400.00</b>	<b>400.00</b>

## Note 11 Inventories

(Rs. In Thousands)

Inventories	FY 2014-15	FY 2013-14
(I) Manufacturing (Valued at Cost or Market Value whichever is less)		
a. Raw Materials and components		
	0.00	0.00
b. Work-in-progress	45088.95	37023.19
	45088.95	37023.19
c. Finished goods		
	0.00	0.00
	0.00	0.00
<b>Total</b>	<b>45088.95</b>	<b>37023.19</b>

## Note 12 Trade Receivables

(Rs. In Thousands)

Trade Receivables	FY 2014-15	FY 2013-14
Trade receivables outstanding for a period less than six months from the date they are due for payment		
Secured, considered good		
Unsecured, considered good	14146.23	617.50
Unsecured, considered doubtful		
Less: Provision for doubtful debts		
	14146.23	617.50
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Secured, considered good		
Unsecured, considered good		
Unsecured, considered doubtful		
Less: Provision for doubtful debts		
	0.00	0.00
<b>Total</b>	<b>14146.23</b>	<b>617.50</b>



For, LOYAL equipments limited

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Rameshchandra Patel  
Chairman  
Din No. 01307699



## Note 13 Cash and cash equivalents

Note (1) Disclosure pursuant to Note no.L (i), (ii), (iii), (iv) and (v) of Part I of Schedule VI to the Companies Act, 1956

(Rs. In Thousands)

Cash and cash equivalents	FY 2014-15	FY 2013-14
a. Balances with banks*	128.46	3827.87
This includes:		
Guarantees	593.18	2417.12
b. Cheques, drafts on hand		
c. Cash on hand*	384.16	564.30
<b>Total</b>	<b>1105.80</b>	<b>6809.29</b>


## Note 14 Other Current Assets

(Rs. In Thousands)


Particulars	FY 2014-15	FY 2013-14
B.S.N.L deposit	1.70	1.70
Vijaya Gas deposit	1.50	1.50
UGVCL Deposit	40.32	0.00
VAT Receivable	441.48	156.39
CENVAT Credit Balance	1014.37	739.95
CENVAT Credit Balance (Service Tax)	166.95	392.77
T.D.S	24.10	35.21
Capital Goods Cenvat	2056.47	259.03
Advance Income Tax 2013-14	0.00	3000.00
Advance Income Tax 2014-15	8000.00	0.00
Advance Land Payment	1900.00	1900.00
Subhash Panchal	20.00	0.00
Staff Advance	66.90	39.90
Machinery Advance	0.00	26855.76
<b>Total</b>	<b>13733.79</b>	<b>33382.21</b>



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Din No. 01307699

## Note 15 Revenue From operation

(Rs. In Thousands)		
Particulars	FY 2014-15	FY 2013-14
Sale of products	148568.49	93864.11
Sale of services	0.00	0.00
Other operating revenues		
Less:		
Excise duty		
<b>Total</b>	148568.49	93864.11

## Note 16 Other Income

(Rs. In Thousands)		
Particulars	FY 2014-15	FY 2013-14
Interest Income	108.95	333.27
Dividend Income	40.10	48.12
Discount Received	3.66	0.00
Net gain/loss on sale of investments		
Other non-operating income	0.00	0.00
<b>Total</b>	152.71	381.39

## Note 17 Finance Costs

(Rs. In Thousands)		
Particulars	FY 2014-15	FY 2013-14
Interest expense	2945.01	878.35
Other borrowing costs	474.35	0.00
Applicable net gain/loss on foreign currency transactions and translation		
<b>Total</b>	3419.36	878.35

## Note 18 Other Expenses

(Rs. In Thousands)		
Particulars	FY 2014-15	FY 2013-14
Power & Fuel	1656.28	1241.85
Repairs to Machinery	755.07	431.12
Repairs (Others)	499.64	532.15
Insurance	137.09	145.21
Director Remuneration	5062.20	4176.48
Professional & Legal Fees	195.22	295.58
Rates & Taxes	31.74	90.29
Rent	1800.00	1800.00
Travelling Expenses	640.22	266.56
Testing & Inspection Exps.	1572.55	1880.86
Miscellaneous Expenses	1308.92	5513.81
Donation	0.70	5.00
Import Material Clearing Charges	777.99	737.23
Preliminary Expenditure W.off	0.00	284.87
Engineering Design & Consultancy Exps.	1513.01	488.72
Transportation Exps.	1146.62	0.00
Packing And Forwarding Charges	14.08	0.00
Telephone Exps.	204.97	0.00
Stationery / Xerox Exps.	197.56	0.00
Income Tax Expenses	1011.68	0.00
<b>Total</b>	18525.54	17889.73



For, LOYAL equipments limited

*Alkesh Patel*  
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For, LOYAL equipments limited

*Rameshchandra Patel*  
Rameshchandra Patel  
Chairman  
Din No. 01307699



Notes:

**19. Long-term borrowings:**

**Term Loans from Financial Institutions:**

During the financial year 2014-15 the following loan was outstanding from Financial Institutions:-  
(□ in Lacs)

Name of Financial Institutions/Body Corporate	31 March 2015	31 March 2014	Interest rate as on 31 <sup>st</sup> March 2015	Repayment terms
Kotak Mahindra Bank -Cash Working Capital Facility	157.24	0.00	BR Plus 1.50% i.e. 11.50% p.a.; BR - 10%	Tenure - 12 Months, Subject to renewal on 15/03/2016; Modified for adding Collertaral Security for Charge Creating
SIDBI	167.00	200.00	PLR + 0.5% i.e 13.25%	Loan taken for Fintube Machine; 60 Installments consists of first 30 monthly installment of Rs. 3 Lacs each, next 20 months of Rs.3.5 Lacs and last 10 months by repayment schedule
Kotak Mahindra Bank - Vehicle Loan	1.36	2.18	12.55%	59 Installments of Rs. 8785 started from Oct 2011
Kotak Mahindra Bank - Vehicle Loan	1.36	2.18	12.55%	59 Installments of Rs. 8785 started from Oct 2011
Kotak Mahindra Bank - Vehicle Loan	0.93	1.77	11.40%	59 Installments of Rs. 8265 started from May 2011

**20. Non Current Investments:**

**Investment in Equity Shares:**

- (a) Company has Investment in Equity Share of Noroda Nagrik Co-operative Bank amounting Rs. 400,000/- as on 31<sup>st</sup> March 2015

**21. Earnings per Share (EPS):**

	31 March 15	31 March 14
Profit after Tax (Rs. in Thousands)	16364.08	12180.88
Number of Equity Shares outstanding	30,00,000	25,00,000
Weighted average number of Equity Shares outstanding	4760	3525
Earnings Per Share (Rs.) – Basic and Diluted	3.44	3.45
(Face Value of □ 10/- per share)		



## 22. Related Party Disclosures:

The Management has identified the following companies and individuals as Related Parties of the Company for the year ended March 31, 2015 for the purpose of reporting of Related Party disclosure as required in terms of Accounting Standard-18 issued by the Institute of Chartered Accountants of India:

### A) List of Related Parties:

Name of Related Party	Nature of Relationship
Loyal Engineers	Proprietorship of Director/Promoter
Alkesh Rameshchandra Patel	Director/ Promoter
Rameshchandra Nathlal Patel	Director/ Promoter
Jyotsanaben Rameshchandra Patel	Director/ Promoter

### B) Transactions with related parties:

Transactions	(Rs. in Lacs)
Rent (Loyal Engineers)	18.00
Directors Remuneration	50.62
Loan From Directors	42.00
Purchases (Loyal Engineers)	4.68

The Company confirms that none of the transactions, if any, with the related parties was in material conflict with the interest of the Company.

## 23. Contingent Liabilities not provided for:

In respect of Bank Guarantees 5.87 Lacs (Previous year: 20.31 Lacs).

## 24. Segment Reporting:

The Company is primarily engaged in the equipments Manufacturing, which in the context of Accounting Standard 17 on "Segment Reporting" constitutes a single reporting segment. Further, there are no geographical segments.

## 25. Auditor's remuneration:

During the year under consideration no provision has made for auditor's remuneration same will be provided in next year.

	31 March 15	(Rs. in Lacs) 31 March 14
Audit Fees	0.25	0.25
<b>Total</b>		

26. In the opinion of the Board of Directors, the current assets, loans and advances would realize not less than the value stated if realized in the ordinary course of business. The provision for all known liabilities is adequate and reasonably estimated.

27. The Company has not received any memorandum (as required to be filled by the suppliers with the






notified authority under Micro, Small and Medium Enterprise Development Act, 2006) claiming their status during the year as micro, small or medium enterprises. Consequently there are no amounts paid/ payable to such parties during the year.

28. Previous year figures have been regrouped /rearranged wherever necessary to correspond with the current year's classifications/disclosure.

As per our Report of even date.

**For, J. M. PATEL & BROS.**  
**Chartered Accountants**  
**F.R.No. 107707W**

  
**(J. M. Patel)**  
**Proprietor**



**Date: 25/05/2015**  
**Place: Ahmedabad**

**For, Loyal Equipments Ltd.**

**For, LOYAL equipments limited**

  
**Alkesh Patel**  
**Managing Director**  
**Din No. 02672297**

**For, LOYAL equipments limited**

  
**Rameshchandra Patel**  
**Chairman**  
**Din No. 01207699**