

SUDARSHAN NORTH AMERICA
BALANCE SHEET as at March 31, 2017

Particulars	Note No	As at 31st March 2017 (Rs.)	As at 31st March 2016 (Rs.)
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	209,284,838	182,945,606
(b) Reserves and Surplus	2	(137,259,363)	(119,988,208)
		72,025,475	62,957,398
(2) Current Liabilities			
(a) Short Term Borrowings	3	114,707,403	123,777,214
(b) Trade Payables	4	60,668,492	171,095,322
(c) Other Current Liabilities	5	941,325	631,596
		176,317,220	295,504,131
Total		248,342,695	358,461,529
II.Assets			
(1) Non-Current Assets			
<i>(a) Fixed Assets</i>			
Tangible Assets	6	682,010	601,969
(b) Long Term Loans And Advances	7	842,783	860,736
		1,524,793	1,462,705
(2) Current Assets			
(a) Inventories	8	127,564,933	218,481,421
(b) Trade Receivables	9	109,105,954	112,454,018
(c) Cash and Cash Equivalents	10	9,632,379	20,653,648
(d) Other Current Assets	11	514,636	5,409,737
		246,817,902	356,998,824
Total		248,342,695	358,461,529

Notes to the financial statements

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The accompanying notes form an integral part of the financial statements.

As per our report of even date

For and on behalf of the Board of Directors

For B.K KHARE & CO
Chartered Accountants
Firm Regn. No.: 105102W

A. N. Rathi
Managing Director
Place : Pune
Date: 24th, April 2017

Shirish Rahalkar
Membership No 111212

Sudarshan Europe B.V.
Represented by - R.B. Rathi

Place : Pune
Date: 24th, April 2017

Place : Pune
Date: 24th, April 2017

SUDARSHAN NORTH AMERICA
Statement of Profit and Loss for the year ended 31st March, 2017

Particulars	Note No	For the year ended March 31, 2017 (Rs.)	For the year ended March 31, 2016 (Rs.)
I. Revenue from Operations	12	609,721,244	546,788,148
II. Other Income	13	609,721,244	546,788,148
III. Total Revenue (I+II)		276,315	9,099,651
		609,997,559	555,887,799
IV. Expenses:			
Cost of goods traded	14	401,213,146	520,548,808
Changes in inventories of stock-in-trade	15	90,916,488	(68,168,936)
Employee benefit expense	16	61,940,498	47,282,651
Finance costs	17	2,614,555	1,742,077
Depreciation and amortization expense	18	434,094	284,015
Other expenses	19	74,269,267	76,033,133
Total Expenses		631,388,048	577,721,748
V. Profit / (Loss) before exceptional and extraordinary items and tax (III - IV)		(21,390,489)	(21,833,949)
VI. Exceptional items		-	-
VII. Profit/(Loss) after exceptional items and tax (V - VI)		(21,390,489)	(21,833,949)
VIII. Extraordinary items		-	-
IX. Profit/(Loss) Before Tax (VII - VIII)		(21,390,489)	(21,833,949)
X. Tax Expense:			
(1) Current Tax		-	-
XI. Profit/(Loss) from the period from continuing operations		(21,390,489)	(21,833,949)
XVI. Earning per equity share:			
Basic	6	(0.065)	(0.0849)
(Refer Note No.7 of Note No 20)			

Notes to the financial statements

20

The accompanying notes form an integral part of the Financial Statements.

As per our report of even date

For and on behalf of the Board of Directors

For B.K KHARE & CO
Chartered Accountants
Firm Regn. No.: 105102W

A.N.Rathi
Managing Director
Place : Pune
Date: 24th, April 2017

Shirish Rahalkar
Membership No 111212

Sudarshan Europe B.V.
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Place : Pune
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Date: 24th, April 2017

SUDARSHAN NORTH AMERICA**Cashflow statement for the year ended March 31, 2017**

(All amounts are in Indian Rupees unless otherwise stated)

Particulars	2016-17 (Rs.)	2015-16 (Rs.)
Cash flow from operating activities		
Profit/(Loss) before tax from operations	(21,390,489)	(21,833,949)
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation/amortization	434,094	284,015
Loss/(Profit) on sale or write off of assets	-	29,830
Unrealized foreign exchange loss/(gain)	4,129,660	(2,018,001)
Provision no more required written back	-	(597,021)
Interest expense	2,614,555	1,742,077
Operating profit before working capital changes	(14,212,180)	(22,393,049)
Movements in working capital :		
Increase/(decrease) in trade payables	(110,426,830)	25,576,973
Increase/(decrease) in other current liabilities	309,729	(4,919,573)
Decrease/(increase) in trade receivables	3,348,064	(8,677,515)
Decrease/(increase) in inventories	90,916,488	(68,168,936)
Decrease/(increase) in long-term loans and advances	17,953	(48,488)
Decrease/(increase) in other current assets	4,895,101	(4,459,373)
Cash generated from / (used in) operations	(10,939,494)	(60,696,912)
Net cash flow from/ (used in) operating activities (A)	(25,151,674)	(83,089,961)
Cash flows from investing activities		
Additions to Fixed Assets	(524,461)	(333,791)
Net cash flow from/(used in) investing activities (B)	(524,461)	(333,791)
Cash flows from financing activities:		
Proceeds from short-term borrowings	(9,069,811)	40,965,099
Proceeds from issues of Share Capital	26,339,232	55,231,841
Interest paid	(2,614,555)	(1,742,077)
Net cash flow from/(used in) in financing activities (C)	14,654,866	94,454,863
Net increase/(decrease) in cash and cash equivalents (A + B + C)	(11,021,269)	11,031,111
Cash and cash equivalents at the beginning of the year	20,653,648	9,622,537
Cash and cash equivalents at the end of the year	9,632,379	20,653,648
Components of cash and cash equivalents		
With banks- on current account	9,632,379	20,653,648
Total cash and cash equivalents (note 14)	9,632,379	20,653,648

As per our report of even date

For and on behalf of the Board of Directors

For B.K KHARE & CO
Chartered Accountants
Firm Regn. No.: 105102W

A.N.Rathi
Managing Director
Place : Pune
Date: 24th, April 2017

Shirish Rahalkar
Membership No 111212
Place : Pune
Date: 24th, April 2017

Sudarshan Europe B.V.
Represented by - R.B. Rathi
Place : Pune
Date: 24th, April 2017

SUDARSHAN NORTH AMERICA
Notes forming part of the Financial Statements

No.	Particulars	As at 31st March 2017 (Rs.)	As at 31st March 2017 (Rs.)	As at 31st March 2016 (Rs.)	As at 31st March 2016 (Rs.)
1	SHAREHOLDERS' FUNDS				
	SHARE CAPITAL				
	EQUITY SHARE CAPITAL:				
	AUTHORISED: 368,505,800 (Previous Year 328,505,800) Equity Shares of USD 0.01 each (See Note-1 below)		209,284,838		182,945,606
	ISSUED: 368,505,800 (Previous Year 328,505,800) Equity Shares of USD 0.01 each		209,284,838		182,945,606
	SUBSCRIBED AND PAID UP: 368,505,800 (Previous Year 328,505,800) Equity Shares of USD 0.01 each fully paid up held by holding company Sudarshan Europe BV (See Note-2 below)		209,284,838		182,945,606
	a) Reconciliation of shares outstanding at the beginning and at the end of the year:	No.	Amt.	No.	Amt.
	At the Beginning of the year	328,505,800	182,945,606	248,505,800	-
	Add : Allotted during the year	40,000,000	26,339,232	80,000,000	182,945,606
	Less: Shares bought back during the year	-	-	-	-
	Outstanding at the end of the year	368,505,800	209,284,838	328,505,800	182,945,606
	b) Terms/ Rights attached to equity shares:	Nil	Nil	Nil	Nil
	c) Share holders holding more than 5% shares in the Company Sudarshan Europe BV	No.	%	No.	%
		368,505,800	100%	328,505,800	100%
Note No. 1 Amount of Authorised Capital is reckoned by applying USD:INR rate prevailing on 31st March every year.					
Note No. 2 This represents 'Composite Capital' under U.S. laws.					
2	RESERVES & SURPLUS				
	a) Surplus /(Loss) in the Statement of Profit and Loss				
	Balance at the beginning of the year	(115,924,734)		(94,090,785)	
	Add : Profit /(Loss) for the Current year	(21,390,489)		(21,833,949)	
	Balance at the end of the year		(137,315,223)		(115,924,734)
	b) Foreign Currency Translation Reserve				
	Balance at the beginning of the year	4,063,474		2,039,360	
	Add : Adjustment for translation of non integral foreign operations	4,119,334		2,024,114	
	Balance at the end of the year		55,860		4,063,474
			(137,259,363)		(119,988,208)
3	CURRENT LIABILITIES :				
	SHORT-TERM BORROWINGS				
	LOAN REPAYABLE ON DEMAND :				
	a) Secured Loans				
	Loan from Bank				
	EXIM Bank Buyer's Credit :		114,707,403		123,777,214
	Security offered to EXIM Bank includes Promissory Notes, Trust Receipts, Undertakings and further Corporate Guarantee of Sudarshan Chemical Industries Limited, Pune India.				
	Working Capital Loan @ LIBOR+250 Basis Points p.a. The loan is payable 180 days from the date of borrowings.				
			114,707,403		123,777,214
4	TRADE PAYABLES		60,668,492		171,095,322
			60,668,492		171,095,322
5	OTHER CURRENT LIABILITIES				
	Statutory Liabilities		-		(2,897)
	Other Payables		941,325		634,493
			941,325		631,596

SUDARSHAN NORTH AMERICA
Notes forming part of the Financial Statements

No.	Particulars	As at 31st March 2017 (Rs.)	As at 31st March 2017 (Rs.)	As at 31st March 2016 (Rs.)	As at 31st March 2016 (Rs.)
7	LONG TERM LOANS & ADVANCES Unsecured, considered good : Deposits with Govt.		842,783		860,736
			842,783		860,736
	CURRENT ASSETS				
8	INVENTORIES (a) Finished Goods (b) Goods in transit		92,194,340 35,370,593		155,051,592 63,429,829
			127,564,933		218,481,421
9	TRADE RECEIVABLES Unsecured Considered Good : (i) Outstanding for a period exceeding six months from the due date (Considered good) Considered doubtful Less: Provision for doubtful debts (ii) Others (Considered good)	- - -		21,630 - -	21,630 - 21,630
			109,105,954		112,432,388
			109,105,954		112,454,018
10	CASH AND CASH EQUIVALENTS Balances with Banks : In Current Accounts		9,632,379		20,653,648
			9,632,379		20,653,648
11	OTHER CURRENT ASSETS Prepaid Expenses		514,636		5,409,737
			514,636		5,409,737
12	REVENUE FROM OPERATIONS Sale of Products		609,721,244		546,788,148
			609,721,244		546,788,148
13	OTHER INCOME Other Non Operating Income : Provision for doubtful debts written back Other Income Refund of custom duty		- 276,315 -		597,021 39,242 8,463,388
			276,315		9,099,651
14	COST OF GOODS TRADED Purchase of Stock in Trade		401,213,146		520,548,808
			401,213,146		520,548,808

SUDARSHAN NORTH AMERICA
Notes forming part of the Financial Statements

No.	Particulars	As at 31st March 2017 (Rs.)	As at 31st March 2017 (Rs.)	As at 31st March 2016 (Rs.)	As at 31st March 2016 (Rs.)
15	CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE				
	Stocks at Commencement :				
	Finished Products		218,481,421		150,312,485
	Less:				
16	Stocks at Close :		127,564,933		218,481,421
	Finished Products		90,916,488		(68,168,936)
	EMPLOYEE BENEFIT EXPENSE				
	Salaries, Wages, Bonus and Commission		54,870,077		42,410,942
17	Contribution to Provident and Other Funds		7,070,421		4,871,709
	Employee Welfare		-		-
			61,940,498		47,282,651
	FINANCE COSTS				
18	Interest Expenses		2,614,555		1,742,077
			2,614,555		1,742,077
	DEPRECIATION AND AMORTISATION EXPENSE				
	Depreciation		434,094		284,015
19			434,094		284,015
	OTHER EXPENSES				
	Advertisement		8,568,461		3,653,121
	Auditors' Remuneration : Audit Fees		306,838		280,334
	General Expenses		369,219		286,628
	Legal, Professional and Consultancy Charges		16,830,296		19,124,318
	Printing, Stationery and Communication Expenses		2,317,923		2,092,512
	Rent / Lease Rent		14,048,134		16,783,362
	Rates and Taxes		133,617		445,535
	Selling and Distribution Expenses		12,098,760		11,425,392
	Commission to Selling Agents		1,037,930		1,245,853
	Discounts		261,186		161,359
	Travelling and Conveyance		12,937,480		12,117,006
	Freight		3,443,382		5,051,626
	Bank Charges		1,026,459		976,889
	Foreign Exchange Difference (Net)		353,830		1,865,044
	Subscription		109,163		133,568
	Disposal of Fixed Assets		-		29,830
	Insurance		426,589		360,756
			74,269,267		76,033,133

SUDARSHAN NORTH AMERICA

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note - 6 : FIXED ASSETS

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	BALANCE AS ON 01.04.2016 RS.	ADDITIONS RS.	DEDUCTIONS / CHANGES (* RS.	BALANCE AS ON 31.03.2017 RS.	BALANCE AS ON 01.04.2016 RS.	FOR THE YEAR RS.	DEDUCTIONS / CHANGES (* RS.	BALANCE AS ON 31.03.2017 RS.	BALANCE AS ON 31.03.2017 RS.	BALANCE AS ON 31.03.2016 RS.
FURNITURE & FIXTURES	28,929		603	28,326	4,548	2,527	178	6,897	21,429	24,381
OFFICE EQUIPMENTS	135,118	-	2,818	132,300	66,730	14,787	1,902	79,615	52,685	68,388
DATA PROCESSING EQUIPMENTS	978,016	524,461	35,213	1,467,263	468,816	416,781	26,230	859,367	607,896	509,200
TOTAL	1,142,064	524,461	38,635	1,627,889	540,094	434,094	28,310	945,879	682,010	601,969