

**EKC International FZE**  
Jebel Ali Free Zone, Dubai, U.A.E.

14th Audited Financial Statements  
Year Ended March 31, 2020

<b>C O N T E N T S</b>	<b>P A G E</b>
Index	1
Independent Auditor's Report	2 to 4
Components of Financial Statements	
> Statement of Financial Position	5
> Income Statement	6
> Statement of Changes in Equity	7
> Cash Flow Statement	8
> Accounting Policies and Explanatory Notes	9 to 26
> Property, Plant and Equipment Schedule	27
Other Information	28, 29

**Independent Auditor's Report to the Sole Shareholder of**

**EKC International FZE**

P.O. Box 61041, Jebel Ali Free Zone, Dubai, U.A.E.

**Report on the Financial Statements**

We have audited the accompanying financial statements of EKC International FZE, Dubai, U.A.E. which comprise the Statement of Financial Position as at March 31, 2020, and the Income Statement, Statement of Changes in Equity and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

Management is responsible for the preparation and the fair presentation of these financial statements in accordance with International Financial Reporting Standards for Small and Medium Sized Entities, and for such internal control as management determines is necessary to enable the presentation of financial statements that 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 conducted our audit in accordance with the International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors judgement, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the management, 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.

**Opinion**

*Except for the following matters described in paragraphs A and B , In our opinion, the Financial Statements present fairly, in all material respects, the Financial Position of the company as at March 31, 2020, the Results of its Operations, Changes in Equity and its Cash Flows for the year ended March 31, 2020 in accordance with the International Financial Reporting Standards for Small and Medium Sized Entities and comply with Law no 9 of 1992 of H.H. Sheikh Maktoum Bin Rashid Al Maktoum, Ruler of Dubai and Implementing Regulations issued by Jebel Ali Free Zone Authority, Government of Dubai, UAE.*

**A Investment in Associates**

- i *The Company had converted Unsecured Loans Given to EKC Industries (Tianjin) Co. Ltd, China, aggregating to AED 41,230,633/- into Investment in Equity of Associates. Also the underlying shares were agreed to be sold to a third party at a value which will result in a probable loss of AED 23,780,724/- on sale of Investment. Refer Note 5.*
- ii *Management has deferred the writedown of Investment in Equity of Associates of AED 23,780,724/- till transfer of shares to third party is executed.*
- iii *Had the value of Investments been determined appropriately, the carrying value of Investments and Net Profits of the Company and Networth of the Company would have been lower by AED 23,780,724/- as at 31 March 2020.*

**B Investment in Subsidiaries and Loans to them**

*As stated in Note 4 and 6 to the financial statements, the Company's Investments as at March 31, 2020 include Investments in Wholly Owned Subsidiaries aggregating to AED 28,383,523/-; and Unsecured Loans Given to Subsidiaries and Step Down Subsidiaries with interest thereon aggregating to AED 144,562,241/- and are being considered good and recoverable by the management. However these Subsidiaries have Accumulated Losses and their Networth is fully eroded. Further these Subsidiaries are facing liquidity constraints due to which they may not be able to achieve projections made as per their respective business plans. In the absence of sufficient appropriate evidence, we are unable to comment upon the carrying value of these Investments and recoverability of the aforesaid dues and the consequential impact if any on the accompanying Financial Statements. However interest income is being accounted on these loans. Refer Note 23.*

**Without qualifying our opinion, we draw attention to the following matters:**

- 1 *Debtors of AED 5,691,074/- are outstanding for more than 8 years and are unsecured and unconfirmed. Management is confident of recovering these debts and hence the same is not provided as doubtful debts.*
- 2 *These are standalone financial statements of the company. Financial statements consolidating the 100% subsidiary EKC Europe GmbH, Germany, 100% subsidiary EKC Hungary KFT, Hungary and its step down 100% subsidiary CP Industries Holding Inc, USA are issued by the ultimate parent Everest Kanto Cylinder Limited, India.*

**for Parag Parekh and Co**  
Chartered Accountants

**P.P.PAREKH**

**Parag Pratap Parekh**  
MOE Regn no 449  
Dubai, United Arab Emirates  
Dated : June 22, 2020



**EKC International FZE, Jebel Ali Free Zone, Dubai, U.A.E.**

**Statement of Financial Position in UAE Dirhams**

	Note	As at 31.3.2020	As at 31.3.2019
<b>Non Current Assets</b>			
Property, Plant and Equipment - Gross Block	Sch	72,289,994	70,826,606
Accumulated Depreciation		-42,199,339	-40,124,383
Net Block		<b>30,090,655</b>	<b>30,702,223</b>
Capital Work in Progress	3	113,770	262,074
<i>Sub total</i>	a	<b>30,204,425</b>	<b>30,964,297</b>
Investment in Wholly Owned Subsidiaries	4	28,383,523	28,383,523
Investment in Associates	5	41,230,633	41,230,633
Unsecured Loans Given to Subsidiaries	6	144,562,241	141,981,911
<i>Sub Total</i>	b	<b>214,176,397</b>	<b>211,596,067</b>
<b>Current Assets</b>			
Inventory	7	44,477,544	40,694,596
Sundry Debtors	8	11,291,273	14,144,972
Cash and Bank Balances	9	7,826,795	7,472,757
Deposits, Advances & Prepayments	10	3,019,639	3,419,794
Due from Related Parties incl RP Debtors	11	47,123,152	57,964,922
Duties and Taxes ( Vat Refundable)	12	197,549	291,502
<i>Sub total</i>	c	<b>113,935,952</b>	<b>123,988,543</b>
<b>Less : Current Liabilities</b>			
Sundry Creditors	13	7,616,832	9,856,549
Accruals	14	444,762	457,630
Secured Loans from Banks - Current Portion	15	40,402,432	30,829,425
Unsecured Loans from Others	16	0	11,583,487
Unsecured Loans from Related Party	17	1,768,113	1,677,399
<i>Sub total</i>	d	<b>50,232,139</b>	<b>54,404,490</b>
<b>Net Current Assets</b>	e = c-d	<b>63,703,813</b>	<b>69,584,053</b>
<b>Non Current liabilities</b>			
Secured Loans from Banks - Non Current Portion	15, f	341,988	195,930
<b>Net Assets</b>	a, b,e,f	<b>307,742,647</b>	<b>311,948,487</b>
<b>Shareholders Equity</b>			
Share Capital	1a	1,000,000	1,000,000
Additional Capital	1a	16,203,619	16,203,619
Accumulated Profits		290,539,028	294,744,868
<b>Total</b>		<b>307,742,647</b>	<b>311,948,487</b>

We confirm that we are responsible for these financial statements, including selecting the accounting policies and making the judgments underlying them. We also confirm that we have made available all relevant accounting records and information for their compilation. These financial statements were authorised for issue on June 22, 2020 on behalf of the Board by

Mr. Pushkar Khurana  
Managing Director



Parag Parekh & Co  
Chartered Accountants



**EKC International FZE**

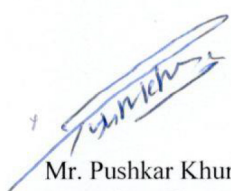
P.O. Box No. 61041, Jebel Ali Free Zone, Dubai, U.A.E.

**Income statement**

Year Ended March 31, 2020

		YE 31.3.2020	YE 31.3.2019
All figures are expressed in U.A.E. Dirhams			
<b>Sales</b>			
Sales -Manufacturing		67,771,915	69,584,115
Sales-Trading		2,659,297	8,951,139
Sub - total		<b>70,431,213</b>	<b>78,535,254</b>
Increase /(Decrease) in Stock of FG/WIP	18	-1,969,957	-3,986,683
<b>Total Income</b>		<b>68,461,255</b>	<b>74,548,571</b>
<b>Expenses</b>			
Raw Materials Consumed	19	35,270,711	36,650,561
Trading Cost of Sales	20	1,861,713	6,069,822
Manufacturing Expenses	21	10,739,271	12,317,456
Personnel Expenses	22	8,161,586	7,602,131
Selling Expenses		3,712,555	3,395,778
Administrative Expenses		2,832,819	2,913,605
Finance Expenses		3,694,085	4,177,818
Interest Income from Loan to Related Parties	23	-2,580,330	-3,374,525
Loss on Investments in Joint Venture		0	183,500
Bad Debts written off		816,335	0
Depreciation	Sch	2,202,457	2,159,889
<b>Total Expenses</b>		<b>66,711,201</b>	<b>72,096,035</b>
<b>Net Profit / (Loss) from Operations</b>		1,750,054	2,452,536
Exceptional Item - Interest Receivable on Loan Written Off - EKC China		-6,045,907	0
Other Income		90,012	180,865
<b>Net Profit / (Loss) carried to Accumulated Profits</b>		<b>-4,205,840</b>	<b>2,633,401</b>

Financial statements were authorised on June 22, 2020 on behalf of the Board by

  
 Mr. Pushkar Khurana  
 Managing Director

 Parag Parekh & Co  
 Chartered Accountants

**EKC International FZE**

P.O. Box No. 61041, Jebel Ali Free Zone, Dubai, U.A.E.

**Statement of Changes in Equity**

Year Ended March 31, 2020

All figures are expressed in **UAE Dirhams**

	Share Capital	Additional Capital	Accumulated Profits	Total
Balance as at 31.3.2019	1,000,000	16,203,619	294,744,868	311,948,487
Transfer from Income Statement	0	0	-4,205,840	-4,205,840
Balance as at 31.3.2020	1,000,000	16,203,619	290,539,028	307,742,647
Balance as at 31.3.2018	1,000,000	16,203,619	292,111,467	309,315,086
Transfer from Income Statement	0	0	2,633,401	2,633,401
Balance as at 31.3.2019	1,000,000	16,203,619	294,744,868	311,948,487



**EKC International FZE****Cash Flow Statement in UAE Dirhams**

Year Ended March 31, 2020

YE	YE
31.3.2020	31.3.2019

**I Cash flow from Operating Activities**

Net Profit / (Loss)	-4,205,840	2,633,401
Add: Depreciation	2,202,457	2,159,889
Add: Finance expenses	3,694,085	4,177,818
Less : Profit on Sale of Vehicles	-12,000	0
Less : Interest income from RP and Fixed Deposits	-2,589,881	-3,383,713
Operating Profit before changes in operating assets and liabilities	-911,180	5,587,395
Inventory	-3,782,948	2,299,267
Sundry Debtors	2,853,699	291,880
Deposits, Advances & Prepayments	400,155	2,036,414
Sundry Creditors	-2,239,717	316,158
Accruals	-12,868	6,128
Duties and Taxes (Vat Refundable)	93,953	-282,291
Cash generated from / (used in) operations	-3,598,905	10,254,951
Less : Finance expenses	-3,694,085	-4,177,818
Net Cash from / (used in) Operating Activities	-7,292,990	6,077,133

**II Cash Flow from Investing Activities**

Purchase of Property, Plant and Equipment	-1,590,888	-872,380
Proceeds from sales of Property, plant and equipment	12,000	0
Capital Work in progress	148,304	-262,074
Investment in Joint Venture	0	183,500
Investment in Associates	0	-41,230,633
Unsecured Loans given to Subsidiaries	-2,580,330	-2,309,901
Loans Given to Related party	0	46,664,953
Fixed Deposits	1,044,543	-769,729
Due from Related Parties	10,841,770	2,395,067
Interest Income	2,589,881	3,383,713
Net Cash used in Investing Activities	10,465,280	7,182,516

**III Cash Flow from Financing Activities**

Secured Loans from banks	-19,977	-224,568
Unsecured Loans from Others	-11,583,487	410,599
Unsecured Loans from EKC Thailand	90,713	90,465
Net Cash from Financing Activities	-11,512,751	276,496
Changes in Cash and Cash Equivalents	I+II+III -8,340,461	13,536,145
Cash & Cash Equivalents at the year beginning	-28,619,247	-42,155,392
Cash and Cash Equivalents at the year end	-36,959,708	-28,619,247
	0	0

**Supplemental Cash Flow Statement Information**

Non-Cash Transactions	Nil	Nil
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**EKC International FZE**

P.O.Box No. 61041, Jebel Ali Free Zone, Dubai, U.A.E.

**Accounting Policies and Explanatory Notes**

Year Ended March 31, 2020

All figures are expressed in U.A.E. Dirhams

**1a Legal Status**

EKC International FZE is incorporated as a Free Zone Establishment with Limited Liability Pursuant to Law no. 9 of 1992 of H.H. Sheikh Maktoum Bin Rashid Al Maktoum, Ruler of Dubai and Implementing Regulations issued thereunder by the Jebel Ali Free Zone Authority, Government of Dubai, U.A.E.

The Jebel Ali Free Zone Authority, Dubai, U.A.E has issued the Certificate of Formation number 1340 dated 17.6.2006, Trading Licence number 6963 dated 30.6.2006 and the Industrial Licence number 7676 dated 15.4.2007.

The registered office of the company is located at Plot MO0313 , Jebel Ali Free Zone, Dubai, U.A.E.

Everest Kanto Cylinder Limited, Mumbai, India, is the sole shareholder of the company. The company is hence a wholly owned subsidiary. The Parent is a listed Public Company in India.

To comply with local regulations, the company is registered with a share capital of AED 1 million comprising of one share of AED 1 million. However the shareholder's additional investments are presented as additional share capital in these financial statements.

The company has established three branches as follows:

<b>Registration Number</b>	<b>Date</b>	<b>Country</b>
2276436	05.12.2012	Colombia
13122061	11.11.2013	Peru
EIF180510N54	24.05.2018	Mexico

Transactions for these branches are accounted in company's main books of accounts.

**1b Business Activities**

The company is engaged in the business of manufacturing of High Pressure Gas cylinders through its 2 plants in Jebel Ali Free Zone, Dubai, UAE.

The company also started trading in Fire Protection Systems (Pre-Engineered & Total Flooding System) under 'Fire Fighting Division' with effect from March 2016. Financial performance for this division is given in Segment reporting notes.

#### **1c Management**

As per the Parent Company's Board Resolution dated 14.1.2006, the company is managed by Mr. Pushkar Khurana, Managing Director.

#### **1d Going Concern assumptions amidst the Global Pandemic**

In March 2020, the World Health Organisation (WHO) declared COVID-19 a global pandemic. The Company has assessed the impact of this pandemic on its business operations and has considered all relevant internal and external information available up to the date of approval of these financial results, to determine the impact on the Company's revenue from operations and the consequent impact on liquidity position for the next year and the recoverability and carrying value of certain assets such as property, plant and equipment, investments, inventories, trade receivables.

The impact of Covid-19 pandemic on the overall economic environment being uncertain may affect the underlying assumptions and estimates used to prepare Company's financial results, which may differ from that considered as at the date of approval of these financials results. As the situation is unprecedented, the Company is yet closely monitoring the situation as it evolves in the future. The Company is taking steps to strengthen its liquidity position, in line with guideline issued by the UAE Government authorities. The Company does not anticipate any challenges in its ability to continue as going concern or meeting its financial obligations.

### **2 Accounting Policies**

The company presents its annual financial statements in accordance with the International Financial Reporting Standard for Small and Medium Sized Entities (IFRS for SMEs) issued by the International Accounting Standards Board. Management chooses and applies its accounting policies consistently to similar transactions and events, unless otherwise stated.

#### **a Accounting Basis**

These financial Statements, except for employees end of service benefits are prepared under the accrual basis of accounting. Under the accrual basis of accounting, transactions and events are recognised when they occur (and not as cash or its equivalent is received or paid) and they are recorded in the accounting records and reported in the financial statements of the periods to which they relate.

**b. Measurement Basis**

These Financial Statements have been prepared on historical cost basis.

**c. Functional/ Presentation Currency**

Items included in the Financial statements are measured using the currency of the primary economic environment in which the entity operates viz. the UAE Dirhams (AED).

**d. Property, Plant and Equipment ( Section 17 - IFRS for SMEs)**

Property, plant and equipment is initially recognised at their purchase cost together with any incidental expenses of acquisition and excluding ANY borrowing costs incurred. Subsequently PPE is measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation on property, plant and equipment has been computed from the date of purchase at Straight Line Method at the rates prescribed under Part "C", Schedule II of the Indian Companies Act 2013 with effect from April 1, 2014 to maintain consistency with the depreciation policies followed by the parent company, Till March 31, 2014 the company followed rates prescribed under Schedule XIV of the Indian Companies Act of 1956.

Depreciation begins when assets are available to use. Depreciation does not cease if assets are idle.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the statement of income.

**e Investment in Subsidiaries (Equity holding of 51% or more)**

**Section 9 - IFRS for SMEs - Consolidated and Separate Financial statements**

A subsidiary is an entity controlled by the parent company. Control is said to exist when the parent has the power to govern the financial and operating policies of the entity so as to obtain economic benefits.

A parent prepares consolidated financial statements in which it consolidates its investments in subsidiaries in accordance with IFRS for SMEs.

When a parent prepares separate financial statements, they will account the investment in subsidiaries at cost less impairment or at fair value with changes in fair value recognised in the profit or loss, *irrespective of whether the subsidiary is newly incorporated or acquired* .

If an entity ceases to be a subsidiary but the investor continues to hold an investment in the former subsidiary that investment is accounted for as a financial asset in accordance with Section 11 (basic financial instruments) or Section 12 (other financial instruments) from the date the entity ceases to be a subsidiary, provided that it does not become an associate or a jointly controlled entity. The carrying amount of the investment at the date that the entity ceases to be a subsidiary is regarded as the cost on initial measurement of the financial asset.

**g Investment in Associates (equity holding between 20% to 49%)  
(Section 14 - IFRS for SMEs)**

Associates are entities over which the investor has significant influence but has no control or joint control. Where the investor holds shareholding between 20% and 49% of the voting rights **significant influence** exists.

The investor can account for its investments by either the cost or equity or fair value method.

The company has elected to account for investments in associates at cost less any accumulated impairment losses unless published price quotations are available, in which case, the company will measure its investments at fair value with changes in fair value recognised in the income statement.

Under the cost and fair value methods, the company will recognise dividends and other distributions received as income on accrual basis when the right to receive dividends is established.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is recognised to the income statement.

**h Inventory (Section 13 -IFRS for SMEs)**

- i Inventories of raw materials, consumables and trading goods have been valued at lower of cost and net realisable value. Cost is determined by FIFO method. Cost includes all the expenses incurred in bringing the inventories to their present location.
- ii Inventories of work in process and finished goods have been valued at lower of cost and net realisable value. Cost is determined by FIFO method. Cost includes cost of raw materials consumed, labour and other manufacturing overheads incurred.
- iii Net realisable value is the estimate of selling price in the ordinary course of business less selling expenses. At each reporting date, inventory is assessed for impairment due to damage and obsolescence. If inventory is impaired, it is measured at its selling price less costs to complete and sell; and to recognise the impairment loss in profit or loss.
- iv Inventory being held for 3 years or more is considered as slow moving and provided for.

**i Trade Debtors (Section 11 - IFRS for SMEs)**

Trade Debtors are recognised initially at transaction price and subsequently carried at anticipated realisable value. Provision for impairment is made for doubtful debtors based on a review of the ageing analysis at the statement of financial position date. Individual trade debtors balances are written off when there is an objective evidence that the amount due will not be collected.

**j Impairment of Tangible Assets (Section 27 - IFRS for SMEs)**

At each Statement of Financial Position date, the company reviews the carrying amount of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). An impairment loss is recognised in the income statement unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

**k Foreign Currency Translation (Section 30 - IFRS for SMEs)**

- i Foreign currency transactions are converted into U.A.E. Dirhams at the prevailing rate of exchange.
- ii Foreign currency balances as on Statement of Financial Position date are reinstated into U.A.E. Dirhams at the prevailing rate of exchange.
- iii Foreign currency loss or gains arising are accounted to the income statement.

**l Accounting for Operating Leases (Section 20 - IFRS for SMEs)**

Leases of assets under which all the risks and benefits of ownership are effectively retained by the lessor are classified as operating leases.

**Where the company is a Lessee:**

Payments made under operating leases are charged to the income statement on a straight-line basis over the period of the lease.

**m Revenue Recognition**

Sales are recognised when the company has transferred to the buyer significant risks and rewards of ownership of goods.

## n **Borrowing Costs**

Borrowing cost incurred in relation to the acquisition, construction of assets are capitalised as part of the cost of such assets up to the date when such assets are ready for intended use. Other borrowing costs are charged as expense in the year in which these are incurred.

## o **Cash and Cash Equivalents**

Cash and Cash Equivalents for the purpose of cash flow statement comprises of cash, bank overdraft, bank current and call accounts, fixed deposits free from lien with a maturity date of 3 months or less from the date of deposit.

Cash in Hand	97,531	29,552
<i>Balance with Banks</i>		
Current Accounts	3,179,375	1,848,772
Bank Overdraft account	-40,236,613	-30,497,571
Total	<u>-36,959,708</u>	<u>-28,619,247</u>

## 3 **Capital Work In Progress**

Capital WIP -Machinery	<u>113,770</u>	<u>262,074</u>
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## 4 **Investment in Wholly Owned Subsidiaries (at cost)**

4a EKC Hungary Ltd, Hungary	28,247,627	28,247,627
4b EKC Europe GmbH, Germany	135,896	135,896
Total	<u>28,383,523</u>	<u>28,383,523</u>

### Notes :

#### 4a ***EKC Hungary Ltd, Hungary***

Investment in share capital represents two remittances in U.S.Dollar as under:

	<i>USD</i>	<i>Exchange rate</i>	<i>HUF</i>
Initial Remittance	7,098,089	159.76	1,134,000,000
Conversion of Loan portion into share capital dated 2.9.2010	579,152	228.99	132,620,000
Advance for Capital trf to capital 1.4.2014	<u>11,941</u>	226.95	<u>2,710,010</u>
Share capital as at this balance date	<u>7,689,182</u>		<u>1,269,330,010</u>



- i As per management policy, these investments are retained at the rate of exchange on actual remittance. There will be no exchange losses arising due to fluctuations in the USD to HUF rates as the UAE Dirham is pegged to the U.S.Dollar at fixed exchange rate of 1 USD = 3.673 UAE Dirhams. The investments are in US Dollars and the eventual return of capital invested will also be in US Dollars. For info only USD 1 = HUF 323.42 as at 31.3.2020
- ii As a part of its globalisation in manufacturing 'CNG and other gases' cylinders, the company has incorporated a wholly owned subsidiary EKC Hungary Ltd. EKC Hungary Ltd, has further incorporated a wholly owned subsidiary CP Industries Holdings Inc., Pittsburgh, USA and acquired net assets of CP Industries, a division of Reunion Industries Inc., USA for USD 60.2M.
- iii Based on Auditors Report, the shareholders equity as at 31.3.2020 of EKC Hungary KFT (investee company) is negative at USD 414,564/- as against our equity investment of USD 7,689,182/-. However Management has opted not to writedown its investments in these standalone financial statements as the consolidated financial statements issued by the parent reflect the writedowns / impairments after eliminating inter company balances.

#### 4b *EKC Europe GmbH, Germany*

The company has acquired 100% shares of Blitz D11- eins-sschs-diei GmbH, Germany a shelf company in total purchase consideration of Euro 27,000/- for 25,000 shares of Euro 1. Full payment has been made on October 1, 2011.

Blitz D11- eins-sschs-diei GmbH has changed it's name to EKC Europe GmbH, Germany with effect from 17.2.2012 .

The investments are in Euro and the eventual return of capital invested will also be in Euro. For info only Euro 1 = AED 4.06 as at 31.3.2020

As per Management Accounts, the shareholders net equity as at 31.3.2020 of the investee company is negative at Euro 439,720/- as against our equity investment of Euro 27,000/-. However Management has opted not to writedown its investments in these standalone financial statements as the consolidated financial statements issued by the parent reflect the writedowns / impairments after eliminating inter company balances.

## 5 **Investment in Associates (At Cost)**

In 36.04% equity of EKC Industries (Tianjin) Co. Ltd., China.  
At cost

41,230,633	41,230,633
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i As per Board Resolution Dated 24.1.2018 Term Loan given to EKC Industries (Tianjin) Co. Ltd. USD 11,234,505/- equivalent to AED 41,230,633/- (Principal Portion of the Loan) is converted into Investment in Equity Share Capital by the company with effect from 30.9.2018.

ii As per the Certificate of Registration dated 13.3.2018, following are new shareholders in the Investee company.

	Share %	Share Capital
<i>EKC International FZE, Dubai, U.A.E.</i>	36.04%	\$11,234,505
<i>Everest Kanto Cylinder Limited, Mumbai, India</i>	63.96%	\$19,939,320
Total Registered Capital	100%	\$31,173,825

iii The audited Net Equity as at 31.3.2020 of the above investee company is CNY/RMB 71,305,833/- or AED 36,926,894/- (USD 10,061,824/-) based on AED 1 = CNY 1.931 and USD 1 = AED 3.67

iv As per Board Resolution of EKC India dated 26th April 2018, 100% shares in EKC China are intended to be sold to a third party.

v An agreement for sale dated 15.4.2018 has been entered into by EKC India and Ekc Dubai with a third party to transfer 100% shares in EKC China for a consideration of RMB/CNY 93,500,000 or AED 48,420,508/- . EKC Dubai's share of loss on transfer of shares would be approx. AED 23,780,724/-

vi However Management has opted to defer its writedown of their investments until execution of the transfer of these shares.

vii As on 22.01.2019 CNY 40,000,000/- has been received in Escrow account against the purchase consideration. Balance as at 9.5.2020 in the Escrow Bank Account is CNY 40,167,647/-.

## 6 Unsecured Loans Given to Subsidiaries

a	Loan given to wholly owned subsidiary, EKC Hungary	51,464,766	51,464,766
b	Loan given to wholly owned subsidiary EKC Europe GmbH, Germany	1,222,712	1,222,712
	Interest receivable	60,252	27,111
c	Loan given to step down subsidiary, CP Industries Holdings Inc.USA (USD)	77,592,608	77,592,608
	Interest receivable	14,221,903	11,674,714
	Total	144,562,241	141,981,911

Notes:

i The company has given US Dollar loans to it's Wholly Owned Subsidiary EKC Hungary Ltd, Hungary. The loan is interest free from 1.4.2010 as per amended loan contract dated 1-6-2010. It's repayable on demand.

However, there is no repayment since 12.4.2008 hence it is taken to non current assets.

- ii The company has given Euro loans to it's Wholly Owned Subsidiary EKC Europe GmbH, Germany at the interest of 3 months LIBOR + 3 %. p.a.. The loans are repayable in four years (As amended) from the date of each disbursement.

Since the principal amount & interest outstanding on these loans are receivable only on maturity, these are considered as a non current assets.

As per management policy, these loans are retained at the rate of exchange on actual remittance. The Loans given are in Euro and the repayment of loans will also be in Euro. Hence exchange losses are not required to be recognized.

- iii The company has given US Dollar loans to it's step down wholly owned subsidiary CP Industries Holdings Inc., USA bearing interest at floating rates of 3 months LIBOR + 1 % repayment date extended up to 31.3.2022; however it is not been repaid since July 2010 hence it is presented as non current assets.

- iv Though the Networth of the Investee companies is negative , Management has opted not to writedown above Unsecured Loans Given on its impairment in these standalone financial statements as the consolidated financial statements issued by the parent reflect the writedowns / impairments after eliminating inter company balances.

**7 Inventory** (at FIFO method)  
(As Valued, Verified & Certified by Managing Director)

Raw materials- Pipes	16,017,249	10,213,238
Raw materials - Valves	471,987	615,282
Work-in-Process	15,956,937	17,674,489
Finished Goods	3,971,375	4,223,779
Trading Goods	3,432,579	3,231,153
Fuel & Gas	31,417	47,485
Stores and Consumables	4,839,330	4,932,499
Sub Total	<u>44,720,873</u>	<u>40,937,925</u>
Less : Provision for Slow Moving Items	-243,329	-243,329
Total	<u><u>44,477,544</u></u>	<u><u>40,694,596</u></u>

<b>8 Sundry Debtors</b>	<u>11,291,273</u>	<u>14,144,972</u>
Outstanding for less than six months		
- Secured By LC	1,069,848	1,745,475
- Unsecured	4,530,351	2,321,106
	<u>5,600,199</u>	<u>4,066,581</u>
Outstanding for more than six months ( > 6 Years)		
- Unsecured	5,691,074	10,078,391
Total	<u>11,291,273</u>	<u>14,144,972</u>
Notes:		
i Balances are taken as per books pending confirmations.		
ii Subsequent Receipts including Post dated cheques till 21-04-2020	3,393,901	
iii Debtors outstanding for more than 6 years are unsecured and unconfirmed. Management is confident of recovering these debts and hence the same is not provided as doubtful debts.	5,691,074	6,391,074
<b>9 Cash &amp; Bank Balances</b>		
Cash On Hand	97,531	29,552
Balance with Banks		
In Current accounts	3,179,375	1,848,772
In Fixed deposits (Under lien)	4,549,890	5,594,433
Total	<u>7,826,795</u>	<u>7,472,757</u>
<b>10 Deposits, Advances &amp; Prepayments</b> (unsecured and considered good)		
Deposits	223,337	227,422
Advances to suppliers excluding Machinery	2,167,652	2,897,016
Advance to staff	11,173	32,812
Prepaid expenses	382,913	262,544
Penal Interest from IDBI (Recoverable as per management) from Sept 2019 till March 2020	234,564	0
Total	<u>3,019,639</u>	<u>3,419,794</u>

**11 Due from Related Parties incl RP Debtors ( Net )**

a	EKC Industries -Dubai Branch of Parent Company -(net)	1,607,678	1,707,135
b	Everest Kanto Cylinder Ltd, India (Parent Company)-(net)	44,180,902	51,434,513
c	C.P.Industries Holding Inc., USA (Step Down WOS)	-722,992	-993,710
d	EKC Europe GmbH, Germany (wholly owned subsidiary)	5,477,087	3,190,600
e	EKC (Industries) Thailand Co Ltd (WOS of Parent Co)	-3,419,523	-3,419,523
f	EKC Industries (Tianjin) Co. Ltd, China (Note)	0	6,045,907

*Balances are Confirmed by Related parties*

47,123,152	57,964,922
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Note for 'f' : Interest Receivable on unsecured loans amounting to AED 6,045,907/- is written off.

**12 Duties and Taxes ( Vat Refundable)**

Net Input For February and March 2020	72,529	0
Refund Due Quarter Ending January 2020 (Recd on 22.4.2020)	125,020	0
For Previous Periods	0	291,502
Total	197,549	291,502

**13 Sundry Creditors**

For Capital expenditure	102,071	67,433
For RM, Stores and Expenses	6,535,187	7,629,972
Advance from Customers	979,574	2,159,144
	7,616,832	9,856,549

*Balances are taken as per Books pending confirmations*

**14 Accruals**

Salaries and wages payable	444,762	457,630
Total	444,762	457,630

**15 Secured loans from Banks****Current Portion**

Bank Overdraft - NBF	19,491,728	7,243,794
Bank Overdraft - IDBI	20,744,885	23,253,777
Vehicle Loans from Bank	165,819	331,854
Sub Total	40,402,432	30,829,425

**Non Current Portion**

Vehicle Loans from Bank	341,988	195,930
Total	40,744,420	31,025,355

Notes:

- a **Total Facilities** of AED 24.8 Million are from **National Bank of Fujairah, Dubai, U.A.E.** bearing rate of Interest of 1.85% p.a. over 1M LIBOR for Overdrafts and 2.25% p.a. over 3M EIBOR for Trust Receipts. Facility includes Overdraft, Trust Receipts, Letters of Credit and Guarantees. 100% Margin kept for Labour Guarantees.
- b **Bank Overdraft Facility** of USD 6.5 million from **IDBI Bank Limited, DIFC Branch, Dubai, U.A.E.** bearing rate of Interest of 6M LIBOR (ranged from 2.87 % to 1.92% during the year) + margin of 6.25%, payable on monthly basis. Facilities are secured by Assignment of Receivables, Assignment of Insurance policy covering Building and Machinery, Lien over Fixed Deposits, Corporate guarantee (unconditional / irrevocable) of Everest Kanto Cylinder Ltd, India and Possessory pledge of Plant and machinery and mortgage of 5 Residential Apartments in name of Company.

These facilities are not yet renewed by the bank as they are asking for reduction in the facility through repayments. Pending this reduction, Bank has levied '2% penal interest for continuation of facility without renewal' and is accounted under Prepayments as Management is negotiating for facility renewal and cancellation of penal interest. Bank is also charging '1% additional interest for not bringing the OD utilization below USD 5M'.

- c **Total Facilities** of AED 8.4 Million are from **Bank of Baroda Dubai, U.A.E.** bearing rate of Interest of 3M EIBOR + 5.05% with minimum 7.25% p.a. payable quarterly. Facility includes Overdraft, Trust Receipts, Local Cheques / Bills Discounting, Export Bills Purchase / Discounting, Import Bills Financing and Letters of Credit.

These facilities are secured by Assignment of Stocks, Fixed and Moveable Assets, Receivables, Assignment of Insurance policy covering Stocks and Personal properties mortgaged, Lien over Fixed Deposits and mortgage of Residential Properties in Dubai, U.A.E in personal name of Director.

- d **Vehicles Loans** are secured by hypothecation of vehicles and are at fixed rates of interest. These loans are repayable in 48 to 60 monthly instalments.

<b>16 Unsecured Loan from Others</b>	0	11,010,000
Interest Payable on Loan taken	0	573,487
Total	0	11,583,487

The Loan is denominated in USD, Payable on demand and bearing interest rate of 6% p.a. Balance as certified by Managing Director.

**17 Unsecured Loan from Related Party**

EKC Industries (Thailand) Co. Ltd.	1,247,800	1,247,800
Interest Payable on Loan taken	520,313	429,599
Total	<u>1,768,113</u>	<u>1,677,399</u>

Note:

The Loan is Unsecured, repayable on demand, bearing interest rate of 7.25% p.a.

**18 Decrease / ( Increase ) in Stock  
Work in Process**

Opening Stock	17,674,489	17,806,359
Transferred to Trading WIP (Transfer-Out)	0	-108,825
Transferred from Trading Cylinders to SFG	0	473,518
Closing Stock	-15,956,937	-17,674,489
Sub Total	<u>1,717,553</u>	<u>496,563</u>

a

**Finished Goods**

Opening stock	4,223,779	6,426,757
Transfer from Trading FG	0	153,112
Transfer from Trading Cylinders to CNG Vessel storage Assembly	0	1,134,030
Closing Stock	-3,971,375	-4,223,779
Sub Total	<u>252,405</u>	<u>3,490,120</u>
Total	<u>1,969,957</u>	<u>3,986,683</u>

b

a+b

**19 Raw Materials Consumed**

Opening Stock	10,828,520	11,619,482
Purchases and direct expenses	40,948,615	35,959,423
Transferred to Trading RM Pipes	0	-27,979
Transferred to Trading Valves	-17,189	-71,845
Closing stock	-16,489,236	-10,828,520
Total	<u>35,270,711</u>	<u>36,650,561</u>

**20 Trading Cost of Sales**

Opening Stock	3,231,154	2,447,418
Trading Purchases & Direct Expenses	2,045,949	8,405,568

**Transfer -In**

RM Valves to Trading Valves (Transfer-in)	17,189	71,845
RM Pipes to Trading Pipes (Transfer-in)	0	27,979
WIP to Trading WIP (Transfer-in)	0	108,825



**Transfer -Out**

Trading Cylinders to FG Cylinders (Transfer-Out)	0	-153,112
Trading Cylinders to SFG Cylinders (Transfer-Out)	0	-473,518
Trading Cylinders to FG -CNG Vessel Storage Assembly	0	-1,134,030
Closing Stock	-3,432,579	-3,231,153
Total	1,861,713	6,069,822

**21 Manufacturing Expenses****Fuel and Gas consumed**

Opening stock	47,485	49,298
Purchases	2,093,135	1,885,569
Closing Stock	-31,417	-47,485
Sub Total	a 2,109,203	1,887,382

**Stores, Spares & Tools**

Opening Stock	4,932,499	4,887,878
Purchase	2,808,856	4,389,235
Closing Stock	b -4,839,330	-4,932,499
Sub Total	2,902,025	4,344,614

**Other Manufacturing overheads**

	c 5,728,043	6,085,460
Total	a+b+c 10,739,271	12,317,456

**22 Personnel Expenses**

Wages and benefits to supervisors and workers	4,657,350	4,586,507
Salaries and benefits to staff	1,904,644	1,720,365
Salaries and benefits to Directors	1,599,592	1,295,259
Total	8,161,586	7,602,131

**23 Interest Income from Loans Given to Related Parties**

Interest income on Loan To CP Industries Holdings, USA	2,547,189	2,723,896
Interest income on Loan To EKC China	0	613,404
Interest income on Loan To EKC Europe Gmbh, Germany	33,141	37,225
Total	2,580,330	3,374,525

## 24 Lease commitments

The company has entered into lease agreements with Jebel Ali Free Zone Authority, for two plots of land in Jebel Ali Free Zone, Dubai, U.A.E. The unexpired portion of the lease commitment as at the statement of financial position date is as under :

- a Plot MO 0313 (partly subleased);** awaiting complete transfer from EKC Industries, Dubai Branch of Parent Company.

The lease is for the period 25.8.2016 to 24.8.2031 at a current annual rent of AED 510,000/-.	5,822,500	6,332,500
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- b Plot S21004 - Being Utilised for Plant II.**

The lease is for the period 5.10.2018 to 4.10.2025 at a annual rent of AED 522,840/-.	2,875,620	3,398,460
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Total	8,698,120	9,730,960
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## 25 Contingent liabilities

Letter of Guarantees (staff visas)	750,000	850,000
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## 26 Significant Events occurring after the Statement of Financial Position date

There were no significant events occurring after the statement of financial position date which require disclosure.

## 27 Related Parties (Section 33 - IFRS for SMEs )

The company in the normal course of business enters into transactions with other business enterprises that fall within the definition of Related Party. The company sells to /buys from its related party on arms length basis and / or at cost plus margins.

Balances with related parties are stated in their respective notes.

**Transactions with Related Parties are as under :**

- i Everest Kanto Cylinder Ltd, India (Parent Company)**

Sales Mfg - Semi Finished (Steel Shell)	0	9,326,347
Sales Trading -Pipes	0	262,585
Sales Trading - Fire Fighting Division	0	1,418,772
Sales Trading -Store and Consumables	0	3,066
Purchase Trading - Cylinders	0	4,551
Purchase R.M.- Pipes	744,786	0

Purchase Trading - CNG Vessel Storage Assembly	0	1,134,030
Expenses - Stores Consumable	304,199	632,776
Expenses - Guarantee Commission on IDBI facility	119,604	156,326

iv **CP Industries Holdings Inc., U.S.A. (Step Down Subsidiary)**

Sales Mfg - Export -Cascade	0	99,090
Sales Mfg - Export- CNG cylinders	228,513	359,473
Purchase Trading - Cylinders	67,161	921,537
Interest income on Loan To CP Industries Holdings, USA	2,547,189	2,723,896

v **EKC Industries (Tianjin) Co. Ltd, China**

Purchase Trading - CNG Vessels Storage Assembly	0	4,706,408
Purchase Trading - Cascade	0	810,248
Interest income on Loan To EKC China	0	613,404

vi **EKC Europe GmbH, Germany**

Sales Mfg - Export - CNG / Industrial Cylinders*	8,794,428	8,054,289
Purchase R.M.- Valves	0	43,986
Sales Trading - Consumables	3,672	0
Expenses - Stores Consumables	0	16,703
Interest income on Loan To EKC Europe GmbH, Germany	33,141	37,225

\*Note : Third party sales routed thru EKC Europe. Since these are not consolidated financials with 100% subsidiary company EKC Europe GmbH, these sales can be treated as direct sales of the company.

vii **EKC Thailand Co Ltd**

Expenses - Interest on Loan Taken	90,713	90,466
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**28 Segment reporting**

The financial performance of the Fire Fighting Trading Business is as under :

<b>Sales</b>	787,259	1,418,772
<b>Cost of Sales</b>		
Opening Stock	141,216	676,690
Purchase and Direct Expenses	643,333	834,413
Closing Stock	-141,216	-141,216
	<u>643,333</u>	<u>1,369,887</u>
Gross Profit	143,926	48,885
Indirect Expenses	769,690	731,311
Indirect Income	0	-23,909
Net Loss	<u>-625,764</u>	<u>-658,517</u>

## 29 Financial Instruments (Section 11, 12 - IFRS for SMEs)

Financial Instruments means financial assets, financial liabilities and equity instruments.

Financial assets include Investments, cash, trade debtors, bank balances, deposits, advances and other receivables. Financial liabilities include bank borrowings, trade creditors, provisions and accruals, advances from customers, finance lease liabilities, and other payables.

### a Fair Values

The fair values of the concern's financial assets and financial liabilities approximate to their carrying values.

### b Credit Risk, and Exchange Rate Risk Exposure.

#### i Credit Risk

Financial assets, which potentially expose the company to credit risk, comprise mainly of bank balances and trade receivables.

The company's bank balances are placed with high credit quality financial institutions. As at March 31, 2020 three parties represented 74% of the outstanding trade debtors. (As at 31.3.2019 - three parties represented 82.18% )

#### Country-wise break up of Trade Debtors :

UAE	7,228,926
COLOMBIA	2,405,158
INDIA	669,258
PERU	311,414
EGYPT	301,307
KUWAIT	196,848
BANGLADESH	178,362
Total	<u>11,291,273</u>

#### ii Exchange Rate Risk

There is no significant exchange rate risk in transactions which are denominated in U.S.Dollars as it is fixed to UAE Dirham. Balances in other foreign currencies as at balance sheet date are:

Balances Denominated in Euro	31.03.2020	31.03.2019
Bank Balances	0	1,296,637
Due from Related Parties		
EKC Europe GmbH, Germany (wholly owned subsidiary)	5,477,087	3,190,600

**30 Number of Personnel as at Balance Sheet Date**

Managing Director	1	1
Executive Director	1	1
Vice President ( Fire Fighting Division )	1	1
Staff	14	19
Supervisors	22	13
Labours	140	133
Total	179	168

**31 Previous Year's Figures**

Previous year figures are regrouped or reclassified wherever necessary so as to conform with the current year's presentation.

- 32** In the opinion of the management all the assets as shown in the financial statements are existing and realisable at the amount shown against them, and there are no liabilities against the concern, contingent or otherwise, not included in the above financial statements.

**33 Additional information - Quantitative Reconciliation**

			YE 31.3.2020	YE 31.3.2019
<b>a Manufacturing Operations (CNG Cylinders)</b>				
Licensed Capacity			Nil	Nil
Installed Capacity (no's) @ 24 hours per day			196,000	196,000
Number of manufacturing plants			2	2
Units Produced during the year (numbers)			130,994	114,083
	<b>31.3.2020</b>	<b>31.3.2020</b>	<b>31.3.2019</b>	<b>31.3.2019</b>
<b>b Manufactured Goods - CNG Cylinders</b>	<i>Qty (no's)</i>	<i>Value</i>	<i>Qty (no's)</i>	<i>Value</i>
Opening stock	6,519	4,223,779	9,567	6,426,757
Production	130,994	50,414,083	114,083	51,244,478
Sales at sale value	129,706	67,771,915	117,131	69,584,115
Closing stock	7,807	3,971,375	6,519	4,223,779

**EKC International FZE**

P.O. Box 61041, Jebel Ali Free Zone, Dubai, U.A.E.

**Property, Plant and Equipment Schedule**

Year Ended March 31, 2020

All figures in UAE Dirhams

Particulars	Gross Block				Depreciation					Net Value	
	Cost at 31.3.2019	Additions	Disposals	Cost at 31.3.2020	As at 31.3.2019	Additions	Disposal	As at 31.3.2020	SLM Rate	As at 31.3.2019	As at 31.3.2020
Factory Building - I	10,799,234	338,116	0	11,137,349	4,668,839	432,990	0	5,101,829	3.33%	6,130,395	6,035,521
Factory Building - II	10,707,584	50,000	0	10,757,584	3,608,069	357,588	0	3,965,657	3.33%	7,099,515	6,791,927
Residential Apartments	1,943,860	0	0	1,943,860	260,002	32,438	0	292,440	1.67%	1,683,858	1,651,420
Plant and Machinery- I	21,714,223	541,714	0	22,255,937	14,111,139	524,128	0	14,635,267	4.00%	7,603,084	7,620,670
Plant and Machinery -II	20,702,182	0	0	20,702,182	14,953,876	402,004	0	15,355,880	4.00%	5,748,306	5,346,302
Factory Equipment	771,154	38,000	0	809,154	301,893	56,690	0	358,583	6.67%	469,261	450,571
Vehicles	1,876,530	513,515	-127,500	2,262,545	712,550	240,832	-127,500	825,881	12.50%	1,163,980	1,436,664
Furniture and Fixtures	1,716,052	61,398	0	1,777,449	975,211	118,896	0	1,094,107	10.00%	740,841	683,342
Computers	329,811	18,151	0	347,961	287,586	25,375	0	312,961	33.33%	42,225	35,001
Equipment (employees)	9,445	0	0	9,445	9,445	0	0	9,445	20.00%	0	0
Air Conditioners	134,084	29,995	0	164,079	113,325	11,517	0	124,842	20.00%	20,759	39,237
Office Equipment	122,448	0	0	122,448	122,448	0	0	122,448	20.00%	0	0
<b>Total</b>	<b>70,826,606</b>	<b>1,590,888</b>	<b>-127,500</b>	<b>72,289,994</b>	<b>40,124,383</b>	<b>2,202,457</b>	<b>-127,500</b>	<b>42,199,339</b>		<b>30,702,223</b>	<b>30,090,655</b>

**Notes :**

- a Residential Apartments consist 5 residential apartments and are mortgaged against credit facilities.
- b Possessory Pledge of Plant and Machinery against credit facilities.
- c Vehicles (cost) hypothecated against loans taken are : 1,107,833
- d Factory Buildings are constructed on leasehold land.
- e Vehicle costing AED 414,815/- is registered in the personal name of the Director.

**EKC International FZE**

P.O. Box 61041, Jebel Ali Free Zone, Dubai, U.A.E.

**“Other Information”**

Year Ended March 31, 2020

*All figures in UAE Dirhams*

	YE 31.3.2020	YE 31.3.2019
<b>1 Significant Ratios</b>		
Profit on trading sales	797,584	2,881,317
Margin on trading sales	29.99%	32.19%
Net Profit / (Loss) from manufacturing sales excluding other income	952,470	-428,781
Net Margin on manufacturing sales & Increase in stock	1.45%	-0.65%
Raw materials consumed to mfg. sales & Increase in stock	53.60%	55.87%
Mfg. overheads to mfg. sales & Increase in stocks	16.32%	18.78%
Personnel costs to mfg. sales & Increase in stocks	12.40%	11.59%
Selling costs to mfg. sales & Increase in stocks	5.64%	5.18%
Admin costs to mfg. sales & Increase in stocks	4.31%	4.44%
Finance costs to mfg. sales & Increase in stocks	5.61%	6.37%
Depreciation to mfg. sales & Increase in stocks	3.35%	3.29%
Profit / (Loss) from operations on Sales (%)	2.48%	3.12%
Net Profit on sales (%)	-5.97%	3.35%
Return on Average Investment ( %)	-1.36%	0.85%
Fixed assets turnover (times)	2.25	2.27
Current Ratio (Times)	2.27	2.28
Debt/ Equity Ratio (Times)	0.16	0.18
Inventory Turnover (Times)	1.58	1.93
Inventory Turnover ( days )	230	189
Debtors turnover ( days )	59	66

**2 Bank credit facilities in UAE Dirhams**

<i>Type</i>	<i>Limits</i>	<i>Utilization</i>
Overdraft / Trust Receipts / LC / Performance Guarantees	57,072,000	
<b>Balances</b>		
Overdraft		40,236,613
Letters of Credit		5,130,212
Performance Guarantees		908,835
		<u>46,275,661</u>



***Bankers (having credit facilities)***

National Bank of Fujairah, Dubai, U.A.E.

IDBI Bank Limited (DIFC Branch), Dubai, U.A.E. in USD only

Bank of Baroda, Dubai, U.A.E

**3 Business Risks And Coverage in AED**

***Insurance : (Assigned to Banks thru Endorsement)***

	<b>Policy Value</b>	<b>Book Value</b>
Building I on Plot MO 313	8,500,000	6,035,521
Building II on Plot S2 1004	6,500,000	6,791,927
Plant and Machinery I on Plot MO 313 and Furniture etc	15,000,000	8,828,820
Plant and Machinery II on Plot S2 1004	5,000,000	5,346,302
Property All Risks Coverage	<u>35,000,000</u>	<u>27,002,570</u>

**4 Accounting Software**

The company uses Tally ERP software ; its Financial Accounts are integrated with Inventory (excluding Stores consumables) and Production.