

QUALITY SYNTHETIC INDUSTRIES LIMITED

Statement of Profit and Loss for the year ended 31st March, 2015

PARTICULARS	NOTES	As at 31.03.2015	As at 31.03.2014
INCOME			
Revenue from operations	13	10,610,000.00	405,280.00
Other income	14	16,451,814.16	13,285,357.71
Total Revenue (+)		27,061,814.16	13,690,637.71
Expenses:			
Purchase of Stock-in-Trade	15	19,198,800.00	18,084,145.00
Changes in inventories of finished goods and Stock-in-Trade	16	(8,785,077.00)	(16,394,600.00)
Employee Benefits Expenses	17	959,047.00	256,679.00
Finance Cost	18	836,082.00	1,163,178.00
Depreciation and amortization expense	8	278,188.95	282,298.00
Other expenses	19	1,569,276.60	1,675,074.63
Total Expenses		14,056,317.55	5,066,774.63
Profit before exceptional and extraordinary items and tax		13,005,496.61	8,623,863.08
Exceptional & Extraordinary items		-	-
Profit before tax (-)		13,005,496.61	8,623,863.08
Tax expense:			
(1) Current tax			
Provision for Current Tax		(2,762,895.40)	(1,816,394.00)
MAT Credit available		2,528,421.67	1,816,394.00
(2) Deferred tax			
		(6,696,234.00)	2,273,764.00
Profit/(Loss) for the period (+)		6,074,788.88	10,897,627.08
Earning per equity share (Basic & Diluted):			
Significant Accounting Policies and Other Notes	20	1.10	1.98

As per our report of even date

For SALARPURIA & PARTNERS

FIRM REGN.NO.302113E

CHARTERED ACCOUNTANTS



(KAMAL KUMAR GUPTA)

PARTNER

M.NO.89190

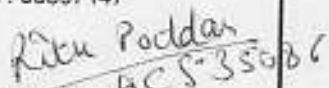
Place : New Delhi

DATE : 29/05/2015


(A. K. SUREKA)
MANAGING DIRECTOR
DIN: 00060206


(D.K.GUPTA)
CFO


(ARCHIT KATARUKA)
DIRECTOR
DIN : 06897147


(RITU PODDAR)
ACS 35086
COMPANY SECRETARY



QUALITY SYNTHETIC INDUSTRIES LTD.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

	Year Ended 31st March, 2015	Year Ended 31st March, 2014
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax and extraordinary items	13,005,497	8,623,863
Adjustment for:		
Depreciation	278,189	282,298
Miscellaneous Expenditure written off	-	-
Interest received on Trade Deposit	(9,018,467)	(6,380,513)
Dividend received	(320,018)	(259,214)
Interest	836,082	1,163,178
Operating Profit before Working Capital Changes	4,781,283	3,429,612
Adjustments for:		
Trade and other receivables	(30,479,748)	9,958,540
Inventories	(8,785,077)	(16,394,600)
Trade payable	(9,421,236)	(13,090,787)
CASH GENERATED FROM OPERATIONS	(43,904,778)	(16,097,235)
Interest paid	(836,082)	(1,163,178)
Direct Tax paid (Net)	(2,164,890)	(941,579)
NET CASH FROM OPERATING ACTIVITIES	(46,905,750)	(18,201,992)
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	-	-
Purchase / Sale of Investments	36,190,000	10,998,145
Interest Received	9,018,467	6,380,513
Dividend Received	320,018	259,214
NET CASH FLOW FROM / USED IN INVESTING	45,528,485	17,637,872
CASH FLOW FROM FINANCIAL ACTIVITIES		
Borrowings(Net)	-	-
NET CASH FLOW from FINANCING ACTIVITIES	-	-
INCREASE IN CASH OR CASH EQUIVALENTS (A+B+C)	(1,377,265)	(564,120)
Cash and Cash Equivalents as at (Opening Balance)	3,826,185	4,390,305
Cash and Cash Equivalents as at (Closing Balance)	2,448,920	3,826,185

As per our report attached.
For SALARPURIA & PARTNERS
FIRM REGN.NO.302113E
CHARTERED ACCOUNTANTS

Kamal Kumar Gupta
(KAMAL KUMAR GUPTA)
PARTNER

Place : New Delhi
DATE : 29/05/2015



A.K. Sureka
(A. K. SUREKA)
MANAGING DIRECTOR
DIN: 00060206

D.K. Gupta
(D.K. GUPTA)
CFO

Archit Kataruka
(ARCHIT KATARUKA)
DIRECTOR
DIN : 06897147

Ritu Poddar
(RITU PODDAR) ACS-35086
COMPANY SECRETARY

NOTES 13 : REVENUE FROM OPERATIONS	Year ended 31.03.2015	Year ended 31.03.2014
Sales of Quoted Shares	-	-
Sale of Unquoted Shares	10,610,000.00	405,280.00
	<u>10,610,000.00</u>	<u>405,280.00</u>
NOTES 14 : OTHER INCOME	Year ended 31.03.2015	Year ended 31.03.2014
Interest (Gross) [Tax deducted at Source Rs.8,62,568/- (Rs.6,36,980/-)]	9,018,467.00	6,380,513.00
Rent Received [Tax deducted at Source Rs.3,65,040/- (Rs. 3,65,084/-)]	3,249,000.00	3,249,000.00
Dividend	320,018.00	259,213.71
Profit on Sale of Long Term Investments	2,101,400.16	2,235,250.00
Income through VENTURE CAPITAL FUND (ASK Real Estate Special Opportunities Fund)		
- Interest (Gross)	1,437,125.00	941,772.00
- Dividend	132,894.00	207,020.00
- Short Term Capital Gain	192,910.00	12,589.00
	<u>1,762,929.00</u>	<u>1,161,381.00</u>
	<u>16,451,814.16</u>	<u>13,285,357.71</u>
NOTES 15 : PURCHASE OF STOCK IN TRADE	Year ended 31.03.2015	Year ended 31.03.2014
Unquoted Shares	19,198,800.00	18,084,145.00
	<u>19,198,800.00</u>	<u>18,084,145.00</u>
NOTES 16 : CHANGES IN INVENTORIES OF FINISHED GOODS AND STOCK IN TRADE	Year ended 31.03.2015	Year ended 31.03.2014
STOCKS AT COMMENCEMENT OF THE YEAR		
Shares & Securities	84,502,881.00	68,108,281.00
STOCKS AT CLOSE OF THE YEAR		
Shares & Securities	93,287,958.00	84,502,881.00
INCREASE / (DECREASE) IN STOCKS	<u>8,785,077.00</u>	<u>16,394,600.00</u>
NOTES 17 : EMPLOYEE BENEFIT EXPENSES	Year ended 31.03.2014	Year ended 31.03.2014
Salary Wages Bonus & Allowances	955,140.00	256,100.00
Staff and Labour Welfare	3,907.00	579.00
	<u>959,047.00</u>	<u>256,679.00</u>
NOTES 18 : FINANCE COST	Year ended 31.03.2015	Year ended 31.03.2014
Interest Paid		
To Others	836,082.00	1,163,178.00
	<u>836,082.00</u>	<u>1,163,178.00</u>
NOTES 19 : OTHER EXPENSES	Year ended 31.03.2015	Year ended 31.03.2014
Rent, Rates and Taxes	2,828.00	16,900.00
Traveling and Conveyance	67,183.00	82,399.00
Advertisement and Publicity	70,361.00	80,472.00
Proportionate administrative expenses by Venture Capital Fund	592,355.00	593,040.00
Repairs and Maintenance	1,499.00	5,996.00
Consultancy and Professional Charges	55,590.00	171,208.00
Auditor's Remuneration :		
As Audit Fee	22,590.00	22,590.00
As Tax audit Fees	5,612.00	5,612.00
Rent paid	600,000.00	600,000.00
Listing Fees	53,989.00	25,281.00
Director's Meeting Fees	10,750.00	6,750.00
Miscellaneous Expenses	86,519.60	64,826.63
	<u>1,569,276.60</u>	<u>1,675,074.63</u>



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14 (a) 20 : SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES ON ACCOUNTS

A SIGNIFICANT ACCOUNTING POLICIES:

a) BASIS OF ACCOUNTING:

The accounts of the company have been prepared under the historical cost convention in accordance with the generally accepted accounting principles and applicable accounting standards as adopted consistently by the company. The company follows mercantile system of accounting and recognises significant items of income and expenditure on accrual basis on going concern concept dividend income is accounted for on receipt basis.

b) FIXED ASSETS:

Fixed assets are stated at cost less depreciation.

c) DEPRECIATION:

Depreciation on fixed assets have been provided on written down method at the rates & basis, prescribed in Schedule II to the Companies Act, 2013.

(d) INVESTMENTS:

Investments are stated at cost.

(e) VALUATION OF INVENTORIES:

LOWER OF COST OR NET REALISABLE VALUE

(f) FOREIGN CURRENCY TRANSACTIONS:

Transactions in foreign currency has been translated into Indian Rupees at the exchange rates prevailing at the date of transaction, any variation in receipt or payment has been adjusted in exchange gain/loss account. Liabilities outstanding as at year end are converted into the Indian Rupees at year end exchange rates.

(g) CONTINGENT LIABILITIES:

Disputed liabilities including claims by Taxation Authorities pending in appeals are treated as Contingent liabilities and are shown by way of notes.

(h) RETIREMENT BENEFITS:

Contributions are made to Recognised Provident Fund, Employees State Insurance Schemes and charged to revenue accounts, other benefits like Gratuity are not applicable to the Company as none of the employees has completed 5 years of continuous service.

(i) TAX ON INCOME :

Tax expenses for the relevant period comprises of current tax and deferred tax. Deferred Tax is recognized, subject to consideration of prudence, on all timing difference between taxable income and accounting income that originate in one period and are capable of being reversed in one or more subsequent periods. The accumulated deferred tax liability is adjusted by applying the tax rates and tax laws applicable at the year-end.

B OTHER NOTES ON ACCOUNTS

1 CONTINGENT LIABILITIES NOT PROVIDED FOR IN RESPECT OF:

- 1 Claims against the Company not acknowledged as debts. Amount Unascertained (Amount Unascertained)
- 2 All investments are long-term investments and have been valued at cost. The market value of quoted investments in certain shares has eroded due to the prevailing depressed market conditions, being temporary in nature, therefore, no provision has been made in the Books of Accounts.
- 3 Estimated value of capital commitments remaining to be executed and not provided for Rs. 574.26 Lacs(Rs.635.50 Lacs) advance paid against the same Rs.327.25 Lacs(Rs.545.99 Lacs).
- 4 In the opinion of the management, current assets, loans and advances will have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated. The balances of sundry debtors, sundry creditors and loans and advances are however, subject to confirmations and adjustments, if any.
- 5 (i) The Contingent Provision against Standard Assets @ 0.25% as per Circular No-DNBS.PD.CC.No.207 / 03.02.002 / 2010-11 issued by RBI, made in earlier year is sufficient to meet the requirement as per the notification, hence no more provision is made during the year.
- 5 (ii) The company has exceeded the exposure norms prescribed by the Reserve Bank of India, for Loans and advances and/or investments and borrowings, which has been due to clerical oversight and brought to notice after the close of the Previous financial year, the same has been corrected in due course till the signing of the balance sheet.
- 6 One ownership flat each at Mumbai, Delhi & Kolkata and building are yet to be registered in the name of the Company.
- 7 Security deposit include Kisan Vikas Patra of Rs.5000/- deposited with sales Tax Department.
- 8 In the opinion of the management, Current Assets, Loans and Advances have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated. The balances of Sundry Debtors, Sundry Creditors and Loans and Advances are however, subject to confirmations and adjustments, if any.
- 9 The provision for deferred tax Liability / (Assets) has been made for adjustment for timing difference as detailed here under:-

Particulars	as on 01.04.2014	Adjustment for the year	as on 31.03.2015
Depreciation	(22,149)	19,341	(2,808)
Unabsorbed Losses	12,040,833	(6,716,575)	5,325,258
Total	12,018,684	(6,696,234)	5,322,450

10 Earning per share :-

	Current year	Previous
Net Profit as per Profit & Loss	6,074,789	10,897,627
Average No. of Equity Shares	5,500,000	5,500,000
Earning per share in Rupees	1.10	1.98

11 Comparative figures for the previous year have been re-grouped, re-cast and re-arranged wherever necessary and figures in brackets represent previous year figures.

12 RELATED PARTY DISCLOSURE (AS IDENTIFIED BY THE MANAGEMENT), AS REQUIRED BY ACCOUNTING STANDARD 'AS-18' ARE GIVEN

i) LIST OF RELATED PARTY:

(a) Where control exists:-

- | | |
|---|--|
| (i) Jotindra Steel & Tubes Ltd. | (xiv) Vaishnodevi Properties Pvt. Ltd. |
| (ii) Biharji Ispat Udyog Limited | (xv) V.K. Flats Pvt. Ltd. |
| (iii) Srinarayan Raj Kumar Merchants Ltd. | (xvi) Dwarkadish Construction Pvt. Ltd. |
| (iv) Mauria Udyog Limited | (xvii) Biharji Fancy Fibers & Fabrics Ltd. |



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(v) J.S.T. Engineering Services Ltd.	(xviii) Bhamra Properties (P) Ltd.
(vi) Saroj Metal Works Private Ltd.	(ix) P. D. Metal Industries (P) Ltd.
(vii) Chakra Exports (P) Ltd.	(x) Udayanchal Leasing Exports (P) Ltd.
(viii) Ram Forgings Pvt. Ltd.	(xi) Puranmal Foods India (P) Ltd.
(ix) Subhlaxmi Properties (P) Ltd.	(xii) Vee Emm Infotecenter Pvt. Ltd.
(x) V L Estates (P) Ltd.	(xiii) Bihariji Cylinders Pvt. Ltd.
(xi) Aakshi Exports (P) Ltd.	(xiv) SKD Estates Pvt. Ltd.
(xii) Sri Narayan Steel Industries Pvt. Ltd.	(xv) Deepak Hotels (P) Ltd.
(xiii) Sureka Tube Industries Pvt. Ltd.	(xvi) SSKS BUILD WELL Pvt. Ltd.
	(xvii) VBM Estates Pvt. Ltd.
(b) Key Management Personnel :	A.K. Sureka (Managing Director)
	V.K. Sureka (Director)
	D.K. Gupta (CFO)
(c) Relative of key Management Personnel :	(with whom transaction have taken place during the year)
	Master Deepanshu Sureka
(d) Other related parties :	Nil

ii) TRANSACTION WITH RELATED PARTIES

TYPE OF RELATED PARTY	DESCRIPTION OF	VOLUME OF TRANSACTION		AMOUNT OUTSTANDING	
		2014-15	2013-14	RECEIVABLE	PAYABLE
	Interest Received	4,404,035	2,130,046	-	-
	Interest Paid	-	1,046,560	-	-
	Rent Received(including Service Tax)	3,249,000	3,650,580	-	-
	Loan Taken	-	21,636,471	-	1,859,094
	Loan Taken Repaid	5,000,000	5,575,025	-	-
	Loan Given	118,191,190	2,504,680	78,957,394	-
	Loan given Received back	79,343,190	33,893,234	-	-
	Reimbursements	668,685	-	-	-
	Share Application Money (received back)	-	11,290,000	-	-
	Share Application Money Given	-	7,340,000	-	-
	Advances Given	-	-	-	-
	Advances given Received back	-	-	-	-
	Sale of Shares	-	3,792,480	-	-
	Purchase of Shares	-	-	-	-
Key Management Personnel	Director Sitting Fee	2,500	2,500	-	-
	Loan Taken	15,700,000	-	-	15,639,334
	Loan Taken Repaid	15,270,000	-	-	-
	Remuneration	616,800	-	-	-
	Interest Paid	752,474	-	-	-
Relative of Key Management Personnel	Purchase of Shares	711,200	-	-	-
	Rent Paid	600,000	600,000	-	-
	Reimbursements	152,184	-	-	-
	Loan Taken	100,000	-	-	-
	Loan Taken Repaid	100,000	-	-	-
Other Related Parties	Nil	-	-	-	-

- NOTE : 1 In respect of above parties, there is no provision for doubtful debts As on 31st March, 2015 and no amount has been written off or written back during the year in respect of debts due from them.
- 2 Out of above certain transaction requires approval from members and Central Government, which is yet to be taken.

13 Additional Information

(i) Quantitative Details:

NAME OF THE ITEM TRADED	UNITS	OPENING STOCKS		PURCHASES		SALES LESS DISCOUNTS		CLOSING STOCKS	
		QUANTITY	AMOUNT Rs.	QUANTITY	AMOUNT Rs.	QUANTITY	AMOUNT Rs.	QUANTITY	AMOUNT Rs.
SHARES & SECURITIES	Nos.	2,667,750 (1,458,175)	84,502,881 (58,105,281)	863,304 (1,213,614)	19,158,800 (18,064,145)	37,200 (4,000)	10,810,000 (406,280)	3,493,754 (2,667,750)	93,287,958 (84,502,881)

PARTICULARS	CURRENT YEAR	PREVIOUS YEAR
(iii) C. I. F. Value of Imports	Nil	(Nil)
(iii) F. O. B. Value of Exports	Nil	(Nil)
(iv) Earning in Foreign Exchange	Nil	(Nil)
(v) Expenditure in Foreign Currency	Nil	(Nil)
(vi) Remittance on account of Dividend in Foreign Currency	Nil	(Nil)

As per our report of even date
For SALARPURIA & PARTNERS
FIRM REGN.NO.302113E
Chartered Accountants

Kamal Kumar Gupta
(KAMAL KUMAR GUPTA)
PARTNER
M.No. 89190

Place : New Delhi
DATE : 29/05/2015

A.K. Sureka
(A. K. SUREKA)
MANAGING DIRECTOR

Archit Kataruka
(ARCHIT KATARUKA)
DIRECTOR
D.K. Gupta
CFO

Ritu Poddar
ACS-35086
(RITU PODDAR)
ACS 35086
COMPANY SECRETARY



QUALITY SYNTHETIC INDUSTRIES LIMITED

Schedule to the balance sheet of a non-banking financial company as required in terms of paragraph 9bb of non banking financial companies prudential norms (reserve bank) directions, 1998

SL. NO.	PARTICULARS	(RS. IN LACS)	
		AMOUNT OUTSTANDING	AMOUNT OVERDUE
	LIABILITIES SIDE :		
1	Loans and Advances availed by the NBFCs inclusive of interest accrued thereon but not paid:		
	(a) DEBENTURES : Secured	Nil	Nil
	: Unsecured	Nil	Nil
	(Other than failing within the meaning of public deposits)*		
	(b) Deferred Credits	Nil	Nil
	(c) Term Loans	Nil	Nil
	(d) Inter-corporate Loans and Borrowing	Nil	Nil
	(e) Commercial Paper	Nil	Nil
	(f) Public Deposits*	Nil	Nil
	(g) Other Loans (Specify Nature)- Loan Secured against keyman insurance policy	Nil	Nil
	* Please see Note 1 below		
2	Break up of (1) (f) above (outstanding public deposits inclusive of interest accrued thereon but not paid):		
	(a) In the form of Unsecured debentures	Nil	Nil
	(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security.		
	(c) Other public deposits	Nil	Nil
	*Please see Note 1 below		
	ASSETS SIDE :		
3	Break up of Loans and Advances including bills receivables [other than those included in (4) below]:		AMOUNT OUTSTANDING
	(a) Secured		Nil
	(b) Unsecured		587.16
4	Break up of Leased Assets and stock on hire and hypothecation loan counting towards EL/HP activities:		
	(i) Lease assets including lease rentals under		
	(a) Financial Lease		Nil
	(b) Operating Lease		Nil
	(ii) Stock on hire including hire charges under sundry debtors:		
	(a) Assets on Hire		Nil
	(b) Repossessed Assets		Nil
	(iii) Hypothecation loans counting towards EL/HP activities		
	(a) Loan where assets have been		Nil
	(b) Loan other than (a) above		Nil
5	Break up of Investments :		
	Current Investments		
	1. Quoted:		
	(i) Shares : (a) Equity		96.61
	(b) Preference		Nil
	(ii) Debentures and Bonds		Nil
	(iii) Units of Mutual Funds		Nil
	(iv) Government Securities		Nil
	(v) Others (please specify)		Nil
	ASSETS SIDE :		
	2. Unquoted:		AMOUNT OUTSTANDING
	(i) Shares : (a) Equity		836.27
	(b) Preference		Nil
	(ii) Debentures and Bonds		Nil
	(iii) Units of Mutual Funds		Nil
	(iv) Government Securities		Nil
	(v) Others (please specify)		Nil
	Long Term Investments		
	1. Quoted:		
	(i) Shares : (a) Equity		20.21
	(b) Preference		Nil
	(ii) Debentures and Bonds		Nil



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(iii) Units of Mutual Funds	Nil
(iv) Government Securities	Nil
(v) Others (please specify)	Nil
2. Unquoted:	
(i) Shares : (a) Equity	191.28
(b) Preference	125.00
(ii) Debentures and Bonds	Nil
(iii) Units of Mutual Funds	Nil
(iv) Government Securities	Nil
(v) Others (please specify)	Nil

Share Application Money

6 Borrower group-wise classification of all leased assets, stock-on-hire and loans and advances: Please see Note 2 below

Category	Amount net of provisions		
	Secured	Unsecured	Total
1. Related Parties **			
(a) Subsidiaries	Nil	Nil	Nil
(b) Companies in the same group	Nil	-	-
(c) Other related parties	Nil	-	-
2. Other than related parties	Nil	1,470.73	1,470.73
Total	Nil	1,470.73	1,470.73

7 Investor group-wise classification of all investments (Current and long term) in shares and securities (both quoted and unquoted): Please see Note 3 below

Category	Market Value	Break up Value or fair value or NAV	Book Value (Net of Provisions)
	Rs.	Rs.	Rs.
1. Related Parties **			
(a) Subsidiaries	Nil	Nil	Nil
(b) Companies in the same group	802.09	802.09	1,098.81
(c) Other related parties	Nil	Nil	Nil
2. Other than related parties	429.05	50.00	479.05
Total	1231.14	852.10	1,577.86

** As per Accounting Standard of ICAI(Please See)
* Cost or market value whichever is lower.

8 Other Information

	AMOUNT OUTSTANDING
i) Gross Non-Performing Assets	
(a) Related Parties	Nil
(b) Other than related parties	Nil
ii) Net Non-performing Assets	
(a) Related Parties	Nil
(b) Other than related parties	Nil
iii) Assets acquired in satisfaction of debt	Nil

Notes:

- As defined in Paragraph 2(1) (xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
- Provisioning norms shall be applicable as prescribed in the Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998.
- All accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and breakup/ fair value/NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in column (5) above.

NOTE Due to non availability of the documents for verification in respect of assets mentioned in Point no. 5 in Note No. 20 we are not in a position to comment upon the provision made during the year for sub standard assets/ NPA

As per our report attached.
For Salarpuria & Partners

FIRM REGN.NO.302113E
Chartered Accountants

Kamal Kumar Gupta
(KAMAL KUMAR GUPTA)
PARTNER
M.No. 89190

Place : New Delhi
DATE : 29/05/2015



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