

KEI CABLES AUSTRALIA PTY LTD
BALANCE SHEET AS AT 31st March, 2020

Figures in AUD
As at
31st March, 2019

	Note		As at 31st March, 2020		
ASSETS					
Current Assets					
Inventories	2	-		7,27,730	
Cash and Bank Balances	3	11,623		935	
Other Current Assets	4	1,788	13,411	46,619	7,75,284
TOTAL			13,411		7,75,284
EQUITY AND LIABILITIES					
EQUITY					
	5				
Share Capital		200		200	
Other Equity		(2,57,805)	(2,57,605)	(2,55,121)	(2,54,921)
Current Liabilities					
Borrowings	6	37,000		1,92,500	
Trade Payables	7	2,33,866		8,18,117	
Other Current Liabilities	8	150		10	
Current tax Liabilities	9	-	2,71,016	19,578	10,30,205
TOTAL			13,411		7,75,284
Significant Accounting Policies And Notes on Financial Statements	1 to 13				

Place of Signing: India
Date : 13.05.2020


MANOJ KAKKAR
Director

Place of Signing: Australia
Date : 14/05/2020


MICHAEL WICKS
Director

KEI CABLES AUSTRALIA PTY LTD
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st March, 2020

Particulars	Note No	Figures in AUD	
		Year Ended 31 st March, 2020	Year Ended 31 st March, 2019
Revenue from Operations		7,27,731	78,51,352
Other Income	10	41,325	1,12,557
Total Revenue		7,69,056	79,63,909
Expenses			
Cost of Materials Consumed	11	7,27,730	66,97,465
Finance Costs	12	3,788	720
Other Expenses	13	40,222	15,63,484
Total Expenses		7,71,740	82,61,669
Profit Before Tax		(2,684)	(2,97,760)
Tax Expense			
---Current tax		-	1,289
Profit for the Year		(2,684)	(2,99,049)

Other Comprehensive Income

Items that will not be reclassified to profit and loss	-	-
Items that will be reclassified to profit and loss	-	-
- Income tax effect on above	-	-
Other Comprehensive Income for the year net of Tax	-	-

Total Comprehensive Income for the year	(2,684)	(2,99,049)
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Significant Accounting Policies And Notes on
Financial Statements 1 to 13

Place of Signing: India
Date : 13.05.2020

Place of Signing: Australia
Date : 14/05/2020



MANOJ KAKKAR
Director



MICHAEL WICKS
Director

KEI CABLES AUSTRALIA PTY LTD

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March, 2020

Figures in AUD
Year Ended
31st March 2019

	Year Ended 31st March 2020	Year Ended 31st March 2019
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and Extraordinary items	(2,684)	(2,97,760)
Adjustments for :		
Financial Charges	3,788	720
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	1,104	(2,97,040)
Adjustments for :		
Trade & Other Receivables	44,831	33,12,893
Inventories	7,27,730	(7,27,730)
Trade & Other Payables	(5,84,111)	(26,47,845)
Cash Generated from operations	1,89,554	(3,59,722)
Direct Taxes paid / Refund	(19,578)	-
Cash flow before Extra ordinary items	1,69,976	(3,59,722)
Extraordinary Items	-	-
Net Cash from operating activities	1,69,976	(3,59,722)
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property Plant & Equipment	-	-
Net Cash from investing activities	-	-
(C) CASH FLOW FROM FINANCIAL ACTIVITIES		
Issue of Shares	-	-
Loan from Holding Company	37,000	1,92,500
Repayment of loan	(1,92,500)	
Financial Charges	(3,788)	(720)
Net Cash from Financing Activities	-1,59,288	1,91,780
NET CHANGE IN CASH AND CASH EQUIVALENTS (A+B+C)	10,688	(1,67,942)
Cash & Cash Equivalents as at 1st April (Opening Balance)	935	1,68,877
Cash & Cash Equivalents as at 31st March (Closing Balance)	11,623	935

Note : Figures in brackets represent cash outflow

Place of Signing: India
Date: 13.05.2020


MANOJ KAKKAR
Director

Place of Signing: Australia
Date : 14/05/2020


MICHAEL WICKS
Director

KEI CABLES AUSTRALIA PTY LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The directors have prepared the financial statements on the basis that the company is a non-reporting entity because there are no users dependent on general purpose financial statements. The financial statements are therefore special purpose financial statements that have been prepared in order to meet the needs of members.

The financial statements have been prepared in accordance with the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with the previous period unless stated otherwise.

The financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. The accounting policies that have been adopted in the preparation of the statements are as follows:

a) Going Concern

The financial report of the company has been prepared on a going concern basis.

The ability of the company to continue as a going concern is dependent upon the continued support from the major shareholder.

b) Income Tax

The income tax expense (income) for the year comprises current income tax expense (income). The Company does not recognise deferred tax assets or liabilities.

Current income tax expense charged to profit and loss is the tax payable on taxable income and is measured at the amounts expected to be paid to (recovered from) the Australian Taxation Office (ATO).

c) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

d) Property, Plant and Equipment

Property, Plant and Equipment are carried at cost. All assets, excluding freehold land and buildings are depreciated over the useful lives of the assets to the trust.

e) Provisions

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.



f) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the ATO. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

g) Inventories

Inventories are measured at the lower of cost and net realisable value. Costs are assigned on a first-in first-out basis and include direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenses.

h) Receivables

Trade Debtors are recorded at amount to be received. A provision for doubtful debts is raised based on a review of outstanding amount at balance sheet date. Bad debts specifically provided for in previous year are recorded against the provision for doubtful debts (the provision is reduced). In all other cases, bad debts are written off as an expense directly in the statement of financial performance.




KEI CABLES AUSTRALIA PTY LTD

NOTES TO ACCOUNTS

Figures in AUD

2 Inventories	As at	As at
	31st March, 2020	31st March, 2019
Cables Project Costs on hand	-	7,27,730
	<u>-</u>	<u>7,27,730</u>
3 Cash and Bank Balances	As at	As at
	31st March, 2020	31st March, 2019
Balances with Banks		
--- Current Accounts	11,623	935
	<u>11,623</u>	<u>935</u>
4 Other Current Assets	As at	As at
	31st March, 2020	31st March, 2019
Amount Recoverable from Cable Grid Australia	-	16,724
Prepaid Expenses	1,224	2,985
GST Recoverable and due	564	22,090
GST Recoverable but not due	-	4,820
	<u>1,788</u>	<u>46,619</u>
5 Equity	As at	As at
	31st March, 2020	31st March, 2019
Share Capital		
Issued, Subscribed & paid-up		
200 Share @1 AUD	200	200
	<u>200</u>	<u>200</u>
Reconciliation of Number of Equity Shares		
Balance as at the beginning of the year	200	200
Add: issued during the year	-	-
Balance as at the end of the year	<u>200</u>	<u>200</u>
Other Equity		
Balance at the beginning of the year	(2,55,121)	43,928
Add: Net profit for the year	(2,684)	(2,99,049)
	<u>(2,57,805)</u>	<u>(2,55,121)</u>



6 Borrowings	As at	As at
	31st March, 2020	31st March, 2019
Loan from Related Party	37,000	1,92,500
	37,000	1,92,500
7 Trade Payables	As at	As at
	31st March, 2020	31st March, 2019
Others	2,33,866	8,18,117
	2,33,866	8,18,117
8 Other Current Liabilities	As at	As at
	31st March, 2020	31st March, 2019
Expenses payable	10	10
Interest payable on Loan	140	-
	150	10
9 Current Tax Liabilities (Net)	As at	As at
	31st March, 2020	31st March, 2019
Income Tax Provisions	-	19,578
	-	19,578
10 Other Income	As at	As at
	31st March, 2020	31st March, 2019
Other Income	40,505	681
Rebate of Finance Charges	820	1,11,876
	41,325	1,12,557
11 Cost of Materials Consumed	As at	As at
	31st March, 2020	31st March, 2019
--- Opening Stock	7,27,730	-
Add : Purchases	-	74,25,195
Less: Closing Stock (Cable in hand)	-	7,27,730
	7,27,730	66,97,465

12 Finance Costs	As at 31st March, 2020	As at 31st March, 2019
Interest Expense (Others)	3,668	-
Bank Charges	120	720
	3,788	720

13 Other Expenses	As at 31st March, 2020	As at 31st March, 2019
Freight, Handling and Octroi (Net)	-	1,93,809
Rebate,Discount,Commission on Sales	-	3,75,330
Registration License Fees	307	-
Insurance	10,905	20,471
Audit Fees	4,500	-
Professional & Technical Consultancy Charges	23,596	98,571
Bad debt expenses	-	8,71,926
ROC Charges	-	263
Rent Rates and Taxes	-	1,242
Accounting Charges	810	1,870
Miscellaneous Expenses	104	1
	40,222	15,63,484

Place of Signing: India
Date : 13.05.2020


MANOJ KAKKAR
Director

Place of Signing: Australia
Date : 14/05/2020


MICHAEL WICKS
Director

McFillin

Audit Services

ABN 13 757 716 236

CERTIFIED
PRACTISING ACCOUNTANTS

Independent Auditor's Report

To the Members of KEI Cables Australia Pty Ltd

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Opinion

We have audited the financial report of KEI Cables Australia Pty Ltd ("the Company") which comprises the statement of financial position as at 31 March 2020, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with the *Corporations Act 2001*, including:

- a) giving a true and fair view of the Company's financial position as at 31 March 2020 and of its financial performance for the year then ended; and
- b) complying with Australian Accounting Standards to the extent described in Note 1 and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 of the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the director's financial reporting responsibilities under the *Corporations Act 2001*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 31 March 2020, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note X to the financial report is appropriate to meet the requirements of the *Corporations Act 2001* and is appropriate to meet the needs of the members. The director's responsibility also includes such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

A handwritten signature in dark ink, appearing to read 'Mike McFillin', with a stylized, cursive script.

Mike McFillin
McFillin Audit Services

Brisbane

14 May 2020