

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
LUDLOW EXPORTS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **Ludlow Exports Limited** ("the Company"), which comprise the Balance Sheet as at **March 31, 2017**, the Statement of Profit and Loss, the 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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgment and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We have conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by Company's directors, as well as evaluating the overall presentation of the financial statements.

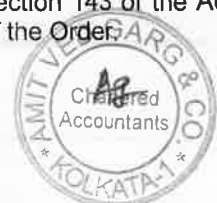
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Government of India, Ministry of Corporate Affairs dated 29th March, 2016 in terms of sub-section 11 of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.



2. As required by section 143(3) of the Act, we report that:
- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - In our opinion proper, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - On the basis of the written representations received from the directors as on March 31, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of Section 164(2) of the Act.
 - With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
 - With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company does not have any pending litigations which would impact its financial position.
 - (ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - (iv) The Company has duly provided requisite disclosures in its financial statements as to holdings as well as dealing in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the Company.

Kolkata
April 24, 2017.



For AMIT VED GARG & CO.
Chartered Accountants
Firm Regn. No.325121E

A. Garg

(CA. A. Garg)
Proprietor

Membership No.061677

ANNEXURE A TO THE AUDITORS' REPORT :

(Referred to in our report of even date to the members of **Ludlow Exports Limited** on the Accounts for the year ended March 31, 2017)

- (1) The company does not have any Fixed Assets hence this clause is not applicable to the company for the year under audit.
- (2) The company does not have inventory of goods, hence this clause is not applicable to the company for the year under audit.
- (3) The Company has not granted any loans, hence this clause is not applicable to the company for the year under audit.
- (4) The Company has not given any loans nor made any investments nor given any guarantee and security.
- (5) The company has not accepted any deposits.
- (6) The maintenance of cost records has not been specified by the Central Government under sub section (1) of section 148 of the companies Act, 2013.
- (7) a) According to the books and records produced to us, the Company is generally regular in depositing undisputed statutory dues as applicable, with the appropriate authorities and there are no undisputed outstanding statutory dues as at the last day of the financial year concerned for a period more than six months from the date they became payable.
b) According to the records of the company and the information and explanations given to us and upon our enquiries in this regard, there are no disputed statutory dues.
- (8) The Company has not defaulted in repayment of loans or borrowing to a financial institution, bank, government or dues to debenture holders as the Company has not taken any such loan or borrowing.
- (9) The Company has not raised any money during the year by way of initial public offer or further public offer (including debt instruments) and term loans.
- (10) No fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the year.
- (11) The Company has not paid any managerial remuneration.
- (12) The Company is not a Nidhi Company.
- (13) According to the information and explanations given to us, the Company had no transactions with the related parties during the year.
- (14) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (15) The Company has not entered into any non-cash transactions with directors or persons connected with them, during the year.



(16) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For AMIT VED GARG & CO.
Chartered Accountants
Firm Regn. No.325121E**



A. Garg

**(CA. A. GARG)
Proprietor**

Membership No.061677

**Kolkata
April 24, 2017.**

Annexure - B to the Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Ludlow Exports Limited ("the Company") as of 31 March 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Kolkata
April 24, 2017.




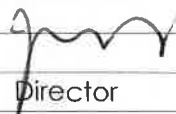
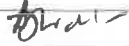
For AMIT VED GARG & CO.
Chartered Accountants
Firm Regn. No.325121E

A. Garg

(CA. A. Garg)
Proprietor
Membership No.061677



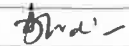
LUDLOW EXPORTS LIMITED


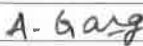

BALANCE SHEET AS AT 31ST MARCH, 2017

Particulars	Note No.	Figures as at the end of current reporting period 31-03-2017 (Rs.)	Figures as at the end of the previous reporting period 31-03-2016 (Rs.)
I. EQUITY & LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	1	25,00,000	25,00,000
(b) Reserves & Surplus	2	6,07,189	4,89,173
(2) Current Liabilities			
(a) Other Payables	3	9,725	7,500
(b) Provisions	4	56,250	1,75,400
	Total	31,73,164	31,72,073
II. ASSETS			
(1) Current Assets			
(a) Cash & Cash Equivalents	5	30,84,444	29,62,753
(b) Short Term Loans & Advances	6	85,640	2,06,240
(c) Other Current Assets	7	3,080	3,080
	Total	31,73,164	31,72,073
Significant Accounting Policies and Notes on Financial Statements	1 to 17		
		As Per our Report annexed	
For AMIT VED GARG & CO. Chartered Accountants Registration No. 325121E		For & on behalf of the Board	
22 Biplabi Rash Behari Basu Road Kolkata 700001 Dated, 24 April, 2017		A. Garg (CA. AMIT GARG) Proprietor Membership No. 061677	J K Bhagat  Director DIN-00055972
		Ajay Todi  Director DIN-00004380	

LUDLOW EXPORTS LIMITED

STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	Note No.	Figures for the current reporting period 31-03-2017 (Rs.)	Figures for the previous reporting period 31-03-2016 (Rs.)
I. Other Income	8	2,11,864	2,41,136
II. Total Revenue		2,11,864	2,41,136
III. Expenses:			
(a) Other Expenses	9	25,771	22,125
IV. Total Expenses		25,771	22,125
V. Profit Before Tax		1,86,093	2,19,011
VI. Tax Expense:			
(a) Current Tax		56,250	68,000
		56,250	68,000
VII. Profit for the period (from continuing operations)		1,29,843	1,51,011
VIII Earning per Equity Share:			
(a) Basic		0.52	0.60
(b) Diluted		0.52	0.60
Significant Accounting Policies and Notes on Financial Statements	1 to 17		
	As Per our Report annexed		
	For AMIT VED GARG & CO. Chartered Accountants Registration No. 325121E		For & on behalf of the Board
22 Biplabi Rash Behari Basu Road Kolkata 700001	A. Garg (CA. AMIT GARG)	J N Bhagat	Ajay Todi
	Proprietor	Director	 Director
Dated, 24 April, 2017	Membership No. 061677	DIN-00055972	DIN-00004380

LUDLOW EXPORTS LIMITED			
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017			
	2016-2017	2015-2016	
	Rs.	Rs.	
A. CASH FLOW FROM OPERATING ACTIVITIES:			
NET PROFIT/(LOSS) BEFORE TAX & EXTRAORDINARY ITEMS	1,86,093	2,19,011	
Adjustments for change in Working Capital			
Trade & other receivables (increase)/decrease	(66,627)	(55,251)	
Trade Payables & Liabilities	2,225		
CASH GENERATION FROM OPERATIONS	1,21,691	1,63,760	
Income Tax Net of paid/provisions	-	-	
NET CASH FROM OPERATING ACTIVITIES	1,21,691	1,63,760	
B. CASH FLOW FROM INVESTING ACTIVITIES			
NET CASH FROM INVESTING ACTIVITIES	-	-	
C. CASH FLOW FROM FINANCING ACTIVITIES:			
CASH FLOW USED IN FINANCING ACTIVITIES	-	-	
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS	1,21,691	1,63,760	
OPENING CASH & CASH EQUIVALENTS	29,62,753	27,98,993	
CLOSING CASH & CASH EQUIVALENTS	30,84,444	29,62,753	
CASH & CASH EQUIVALENTS COMPRISES			
Cash & Bank Balances	30,84,444	29,62,753	
Notes:			
1. Above statement has been prepared in indirect method except in case of interest and taxes which have been considered on the basis of the actual movement of cash, with corresponding adjustments in assets and liabilities.			
2. Figures have been regrouped wherever necessary.			
		As Per our Report annexed	
		For & on behalf of the Board	
(CA. AMIT GARG)		J K Bhagat	
Chartered Accountants		Director	
Registration No. 325121E		DIN-00055972	
Membership No. 061677		DIN-00004380	
22, Biplabi Rash Behari Basu Road			
Kolkata 700001			
Dated, 24 April, 2017			
			
Ajay Todi			
Director			
DIN-00004380			

LUDLOW EXPORTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

		31.03.2017	31.03.2016
1	Share Capital		
A	Equity Share Capital		
(a)	Authorised:		
	Number of Shares	2,50,000	2,50,000
	Amount (Rs.)	25,00,000	25,00,000
(b)	Issued:		
	Number of Shares	2,50,000	2,50,000
	Amount (Rs.)	25,00,000	25,00,000
(c)	Subscribed and fully paid:		
	Number of Shares	2,50,000	2,50,000
	Amount (Rs.)	25,00,000	25,00,000
(d)	Par value per share (Rs.)	10/-	10/-
(e)	Number of shares outstanding:		
	At the Beginning of the year	2,50,000	2,50,000
	At the End of the year	2,50,000	2,50,000
(f)	Equity Shares held by its holding company: Ludlow Jute & Specialities Limited	2,50,000	2,50,000
(g)	Names of the shareholders holding more than 5% shares Ludlow Jute & Specialities Limited	2,50,000	2,50,000
2	Reserves & Surplus		
(a)	Balance in Profit & Loss Account (As per Last Account)	4,89,173	3,38,162
	Add: Profit for the year	1,29,843	1,51,011
	Add: Excess Provision of Taxation written back	(11,827)	
		6,07,189	4,89,173
		6,07,189	4,89,173
3	Other Payables		
(a)	Liabilities for Expenses	9,725	7,500
4	Provisions		
(a)	Short Term Provisions - Prov. For I.Tax	56,250	1,75,400
5	Cash & Cash Equivalents		
(a)	Balances with Schedule Banks:		
(i)	Current Accounts	24,483	94,909
(ii)	Fixed Deposit - (Maturing within 12 months)	30,59,961	28,67,844
(b)	Cash in hand	-	-
		30,84,444	29,62,753
6	Short Term Loans & Advances		
	Unsecured, considered good		
(a)	Accrued Interest on Fixed Deposit	27,153	28,593
(b)	Advance Tax	37,300	1,03,000
(c)	Income Tax		
(i)	Tax Deducted at Source (C.Y. Rs. 21,187/-, Previous year Rs. 23,613/-)	21,187	74,647
		85,640	2,06,240



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		31.03.2017	31.03.2016
7 Other Current Assets			
(a) Other Current Asset - Security & other deposits		3,080	3,080
		3,080	3,080
8 Other Income			
(a) Interest on F.Deposit (T.D.S. Rs. 21,187/-, Previous year Rs. 23,613/-)		2,11,864	2,41,136
		2,11,864	2,41,136
9 Other Expenses			
(a) Auditors' Remuneration - Audit Fees		8,625	7,500
(b) Filing Fees		4,000	1,500
(c) Legal & Professional Charges		8,790	8,775
(d) Rates & Taxes		4,356	4,350
		25,771	22,125



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Ludlow Exports Limited

Notes on Financial Statements for the Year ended 31st March, 2017

Note: 10 - Significant Accounting Policies

(A) Basis of Accounting

- (i) The financial statements are prepared in accordance with Generally Accepted Accounting Principles (Indian GAAP) under the historical cost convention on accrual basis and on principles of going concern. The accounting policies are consistently applied by the Company.
- (ii) The Financial Statements are prepared to comply in all material aspects with the accounting standards notified by the Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act, 2013.
- (iii) All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule VI (Revised) to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.
- (iv) The preparation of the Financial Statements requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the Financial Statements and the reported amounts of revenues and expenses during the reporting period. Differences between the actual results and estimates are recognised in the period in which the results are known/materialise.

(B) Revenue Recognition

- (i) Revenue is recognized based on the nature of activity when consideration can be reasonably measured and there exists reasonable certainty of its recovery.
- (ii) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

(C) Earning Per Share

- (i) Basic earning per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.
- (ii) For the purpose of calculating diluted earning per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(D) Provisions, Contingent Liabilities and Contingent Assets

- (i) Provision involving substantial degree of estimation in measurements is recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.
- (ii) Contingent Liabilities are shown by way of notes to the Accounts in respect of obligations where, based on the evidence available, their existence at the Balance Sheet date is considered not probable.
- (iii) A Contingent Asset is not recognized in the Accounts.

(E) Taxation

- (i) Current Tax: Provision for current tax is made on the assessable income at the tax rate applicable to the relevant assessment year. Minimum Alternative Tax credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal tax during the specified period.



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Ludlow Exports Limited

Notes on Financial Statements for the Year ended 31st March, 2017

Note: 10 - Significant Accounting Policies (Contd...)

(F) Borrowing Costs

- (i) Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalised for the period until the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes substantial period of time to get ready for its intended use.
- (ii) Other Borrowing costs are recognised as expense in the period in which they are incurred.

(G) Research & Development Expenses

Revenue expenditure on Research and Development is charged as an expense through the normal heads of account in the year in which the same is incurred. Capital expenditure incurred on equipment and facilities that are acquired for research and development activities is capitalized and is depreciated according to the policy followed by the Company.

- (H) Material Events occurring after Balance Sheet date are taken into consideration.



Ludlow Exports Limited

Notes on Financial Statements for the Year ended 31st March, 2017

11 There are no transactions entered into with related parties during the year as required by Accounting Standard (AS) - 18 on "Related Party Disclosures" issued by The Institute of Chartered Accountants of India.

12 Earnings Per Share (EPS)

Amount (in ₹)

	<u>Year ended</u> <u>31-Mar-2017</u>	<u>Year ended</u> <u>31-Mar-2016</u>
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Profit after tax as per Statement of Profit and Loss attributable to equity shareholders	129843	151011
Weighted average number of Equity Shares of ₹ 10 each outstanding during the year:	250000	250000
Earnings Per Share (Basic & Diluted)	0.52	0.60
Face Value per equity shares	10.00	10.00

13 No employee of the company is in receipt of remuneration in excess of the amount specified u/s 134 of the Companies Act, 2013.

14 Provision is made for Income tax liability estimated to arise on the financial results for the year at the current rate of tax in accordance with the provisions of Income Tax Act, 1961.

15 Details of Specified Bank Notes (SBN) held and transacted during the period 8th November, 2016 to 30th December, 2016:

	SBNs	Other denomination notes	Total
Closing Cash in Hand as on 08.11.2016	0	0	0
(+) Permitted receipts	0	0	0
(-) Permitted payments	0	0	0
(-) Amount deposited in Banks	0	0	0
Closing Cash in hand as on 30.12.2016	0	0	0

16 Balances and transactions of parties appearing under the head Debtors, Creditors and Advances are subject to confirmations. In opinion of the Directors, Current Assets, Loans and Advances have the value at which they are stated in the Balance Sheet if realised in the ordinary course of business. The provision for depreciation and other known liabilities are adequate and not in excess of the amount reasonably necessary.

17 Comparative Financial information (i.e. the amounts and other disclosure for the preceding year) presented above, is included as an integral part of the current year's financial statements, and is to be read in relation to the amounts and other disclosures relating to the current year. Figures of the previous year are regrouped and reclassified wherever necessary to correspond to figures of the current year.

As per our report of even date attached

For and on behalf of the Board

For **AMIT VED GARG & CO.**
Chartered Accountants
Firm Regn. No.325121E



A. Garg

(**CA. A. Garg**)
Proprietor
Membership No.061677

Kolkata
April 24, 2017

Ajay Todi

Ajay Todi
(Director)
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J K Bhagat

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