

INDEPENDENT AUDITORS' REPORT

To the Members of Global Composites & Structurals Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Global Composites & Structurals Limited** ('the Company'), which comprise the Balance Sheet as at March 31, 2016, and the Statement of Profit and Loss and 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 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 the 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 the 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 internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors 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 there under.

We 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 true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of 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 31st March, 2016, and its loss and its cash flows for the year ended on that date.

Emphasis of matter

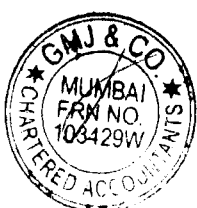
We draw attention to the following matters in Notes to the financial statements:

Note 32 regarding the appropriateness of the "going concern" basis used for the preparation of these Accounts even through the net-worth of the company has been completely eroded as at 31st March, 2016 and the validity of the "going concern" basis would depend upon the continuance of the existing financial support by the holding company. The accounts do not include adjustments, if any, that may result from discontinuances of the funding by the holding company

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors report) Order, 2016 ("The Order") issued by the central government of India in terms of subsection 11 of section 143 of the Act, We give in the Annexure A, a statement on the matter specified in paragraphs 3 & 4 of the order.
2. As required by section 143(3) of the Act, we report that:
 - a. 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;
 - b. in our opinion 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;
 - c. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d. in our opinion, the aforesaid financial statements comply with the Accounting Standards referred to in section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014.
 - e. on the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of sub section (2) of section 164 of the Companies Act, 2013.
 - f. With respect to the adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refers to our separate Report in Annexure B.



- g. With respect to the other matters included in the auditor's report and to best of our information and according to the explanation given to us.
- 1) The company does not have any pending litigation which would impact its financial statement.
 - 2) The company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - 3) There were no amount which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **GMJ & Co**
Chartered Accountants
Firm No. 103429W



Atul Jain

(CA Atul Jain)
Partner
M. No. 37097

Place: Mumbai.

Date: 24th May, 2016.

Annexure A to the Independent Auditors' Report

The Annexure referred to in paragraph 1 of the Independent Auditors' under "Report on Other Legal and Regulatory Requirements" section of our report of even date to the members of Global Composites & Structurals Limited on the financial statements as of and for the year ended March 31, 2016

(i) In Respect of its Fixed Assets:

- (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Some of the assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification.
- (c) The title deeds of immovable properties are held in the name of the company

(ii) In Respect of its inventory:

According to the information and explanations given to us, Physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed on physical verification during the year.

(iii) According to information and explanations given to us, the company has not granted loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act 2013. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.

(iv) According to information and explanations given to us, the Company has not granted any loans or made any investments, or provided any guarantee or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.

(v) According to information and explanations given to us, the company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act and the Rules framed there under to the extent notified.

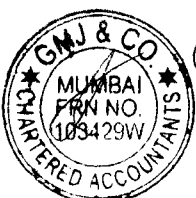
(vi) According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act'2013.

(vii) According to the information and explanations given to us, in respect of statutory dues:

- (a) The company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities though there have been few delays in few cases. The Following dues are outstanding for more than six months from the date they become payable:

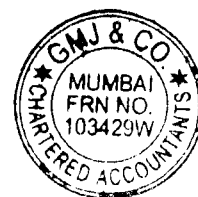
Sr. No.	Statutory Dues	Amount
1	Service Tax	218612/-


- (b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of custom, duty of excise, value added tax which have not been deposited with the appropriate authorities on account of any dispute.



- (viii) Based on our audit and procedure and as per the information and explanation given by the management, the company has defaulted in repayment of loans and interest and Principle to The Thane Janata Sahakari Bank Ltd. There is delay ranging from 20-325 days in case of payment of Interest on various Term Loans aggregating to Rs.91.77 Lacs and in case of payment of interest on Cash Credit account aggregating of Rs.187.49 Lacs. Further there is overdue unpaid principle in respect of term loans aggregating of Rs.218.11 Lacs as at 31st March 2016.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and term loans during the year.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanation given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (xi) During the year, the company has not paid managerial remuneration. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable to the Company.
- (xii) As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the Provision of Clause 3(xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 wherever applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards
- (xiv) During the year, the company has made preferential allotment of shares and the amount raised have been used for the purpose for which the funds were raised.
- (xv) According to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The company is not required to be registered under Section 45-IA for the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For **GMJ & Co**
Chartered Accountants
Firm No. 103429W




(CA Atul Jain)
Partner
M. No. 37097

Place: Mumbai.

Date: 24th May, 2016.

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 2(f) of the Independent Auditors' Report of even date to the members of Global Composites & Structurals Limited on the financial statements for the year ended March 31, 2016

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 GLOBAL COMPOSITES & STRUCTURALS LIMITED ("the Company") as of March 31, 2016 in conjunction with our audit of the 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. 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

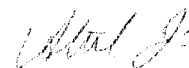
A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 March 31, 2016, 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.

For GMJ & CoChartered Accountants
Firm No. 103429W

(CA Atul Jain)

Partner

M. No. 37097

Place: Mumbai.

Date: 24th May, 2016.

GLOBAL COMPOSITES & STRUCTURALS LIMITED
BALANCE SHEET AS AT 31ST MARCH 2016

PARTICULARS	NOTE NO.	Amount in (₹)	
		AS AT 31.03.2016	AS AT 31.03.2015
A EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	2	2,93,55,000	2,83,00,000
(b) Reserves and surplus	3	(15,25,72,069)	(11,19,19,576)
		(12,32,17,069)	(8,36,19,576)
2 Share application money pending allotment		-	10,55,000
3 Non-current liabilities			
(a) Long-term borrowings	4	3,41,21,951	4,30,04,564
(b) Other Long Term Liabilities	5	3,62,43,378	2,84,17,977
(c) Long-term provisions	6	31,358	30,651
		7,03,96,687	7,14,53,192
4 Current liabilities			
(a) Short-term borrowings	7	11,99,50,188	12,19,02,187
(b) Trade payables	8	1,42,593	7,10,707
(c) Other current liabilities	9	9,95,96,101	9,79,41,039
(d) Short-term provisions	6	-	5,37,025
		21,96,88,882	22,10,90,958
TOTAL		16,68,68,500	20,99,79,574
B ASSETS			
1 Non-current assets			
(a) Fixed assets	10		
(i) Tangible assets		5,46,50,600	5,94,28,725
(ii) Intangible assets		1,22,388	1,82,050
		5,47,72,988	5,96,10,775
(b) Non-current investments	11	4,99,951	4,99,951
(c) Long-term loans and advances	12	98,03,493	95,36,279
(d) Other Non Current Assets	13	2,27,22,321	1,76,38,150
		8,77,98,753	8,72,85,155
2 Current assets			
(a) Inventories	14	7,21,16,123	11,46,12,942
(b) Trade receivables	15	58,83,690	61,77,215
(c) Cash and bank balances	16	3,70,654	8,98,971
(d) Short-term loans and advances	17	6,99,277	10,05,289
		7,90,69,744	12,26,94,417
TOTAL		16,68,68,500	20,99,79,574
Significant accounting policies and notes forming part of the financial statements	1 to 35		

As per our report of even date attached
For GMJ & CO.
Chartered Accountants
F.R.No. 103429W

Atul Jain
CA ATUL JAIN
Partner
M.No.: 037097
Mumbai
Date : 24/05/2016



For and on behalf of the board

[Signature]

Director

[Signature]

Director

GLOBAL COMPOSITES & STRUCTURALS LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

Amount in (₹)

PARTICULARS	NOTE NO.	YEAR ENDED 31.03.2016	YEAR ENDED 31.03.2015
INCOME			
Revenue from Operations(gross)	18	6,42,23,264	4,34,97,412
Less: excise duty		69,94,048	29,76,423
		5,72,29,216	4,05,20,989
Other Income	19	54,08,891	2,00,876
Total Revenue		6,26,38,107	4,07,21,865
EXPENSES			
(a) Cost of raw material and components consumed	20	53,04,545	3,06,88,455
(b) Operating Expenses	21	57,43,645	82,58,846
(c) Changes in Inventories of work-in-progress	22	4,36,03,478	(20,26,602)
(d) Employee benefits expense	23	7,95,164	58,32,828
(e) Finance costs	24	3,01,79,279	2,89,38,321
(f) Depreciation and amortisation expense	10	47,14,574	48,23,164
(g) Other expenses	25	1,25,11,877	1,25,50,533
Total expenses		10,28,52,562	8,90,65,544
Loss before exceptional and extraordinary items and tax		(4,02,14,455)	(4,83,43,679)
Exceptional items	26	4,84,826	3,85,689
Loss before extraordinary items and tax		(4,06,99,281)	(4,87,29,368)
Extraordinary Items	27	46,787	-
Loss before tax		(4,06,52,494)	(4,87,29,368)
Tax expense:		-	-
Loss after tax		(4,06,52,494)	(4,87,29,368)
Basic & Diluted Earning per share	28	(13.90)	(17.22)
Significant accounting policies and notes forming part of the financial statements	1 to 35		

As per our report of even date attached

For GMJ & CO.

Chartered Accountants

F.R.No. 103429W

Atul Jain
CA ATUL JAIN
Partner

M.No.: 037097

Mumbai

Date : 24/05/2016



For and on behalf of the board

[Signature]

Director

[Signature]

Director

GLOBAL COMPOSITES & STRUCTURALS LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

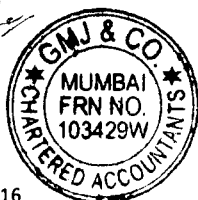
	Amount in (₹)	
PARTICULARS	YEAR ENDED 31.03.2016	YEAR ENDED 31.03.2015
CASH FLOW FROM OPERATING ACTIVITIES		
Net Loss Before tax	(4,06,52,494)	(4,87,29,368)
Adjustments for:		
Depreciation	47,14,574	48,23,164
Profit on sale of Fixed Assets	(46,787)	-
Interest Income	(76,670)	-
Interest Expense	3,01,79,279	2,89,38,321
Dividend (income)	(75,000)	(75,000)
Operating Loss Before Working Capital Changes	(59,57,099)	(1,50,42,883)
Adjustment for:		
Increase / (decrease) in trade payables	77,84,376	(25,21,846)
Increase / (decrease) in long-term provisions	707	(3,32,476)
Increase / (decrease) in short-term provisions	(5,37,025)	3,24,074
Increase / (decrease) in other current liabilities	16,55,062	(12,32,995)
Increase / (decrease) in other Non current liabilities	(5,27,089)	35,62,868
Decrease / (increase) in trade receivables	(47,90,645)	2,30,10,691
Decrease / (increase) in inventories	4,24,96,819	1,80,50,534
Decrease / (increase) in long-term loans and advances	(2,67,214)	(15,18,338)
Decrease / (increase) in short-term loans and advances	3,06,012	22,56,517
Cash Generated from Operations	4,01,63,904	2,65,56,146
Less: Tax Paid	-	-
Net Cash from Operating Activities	4,01,63,904	2,65,56,146
CASH FLOW FROM INVESTING ACTIVITIES		
Sales/(Purchase) of Fixed Assets & Capital WIP	1,70,000	(86,452)
Interest Received	76,670	-
Dividends received	75,000	75,000
Net Cash flow from Investing Activities	3,21,670	(11,452)
CASH FLOW FROM FINANCING ACTIVITIES		
Borrowings (Net)	(1,08,34,612)	23,93,980
Interest Paid	(3,01,79,279)	(2,89,38,321)
Net Cash flow from Financing Activities	(4,10,13,891)	(2,65,44,342)
INCREASE IN CASH AND CASH EQUIVALENTS	(5,28,317)	352
Cash & Cash Equivalents as on 01.04.2015	8,98,971	8,98,619
Cash & Cash Equivalents as on 31.03.2016	3,70,654	8,98,971

Notes to Cash flow statement:

- 1 The above Cash flow statement has been prepared as per the indirect method prescribed by Accounting Standard 3 issued by the "Institute of Chartered Accountants of India".
- 2 All Figures in bracket are outflow
- 3 The total of cash and cash equivalent is as per balance sheet.

As per our report of even date attached
For GMJ & CO.
Chartered Accountants
F.R.No. 103429W

Atul Jain
CA ATUL JAIN
Partner
M.No.: 037097
Mumbai
Date : 24/05/2016



For and on behalf of the board

[Signature]

Director

[Signature]

Director

GLOBAL COMPOSITES & STRUCTURALS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

SIGNIFICANT ACCOUNTING POLICIES

CORPORATE INFORMATION

Global Composites & Structurals Ltd. is a public company domiciled in India and incorporated on 13th April 2006 under the provisions of the Companies Act, 1956. The company is engaged in the manufacturing and selling of Fibre glass reinforcements plastic (FRP), FRP pipings, FRP composites, cable trays, engineering products, vessels/Tanks, designing and structural fabrication of metal & steel structures.

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES

I BASIS OF PREPERATION OF FINANCIAL STATEMENTS

These financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

II USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

III TANGIBLE FIXED ASSETS

Fixed Assets are stated at cost of acquisition, including any cost attributable for bringing the asset to its working condition for its intended use, less accumulated depreciation and impairment loss, if any.

IV DEPRECIATION ON TANGIBLE FIXED ASSETS

Depreciation on fixed assets is calculated on a straight-line basis over the useful life of the assets as prescribed under Part C of Schedule II of the Companies Act 2013. The useful lives for the fixed assets are as follows:

Assets	
Bulding	30 years
Plant and Machinery	15 Years
Furniture and fittings	10 Years
Office Equipments	5 Years
Computers	3 years

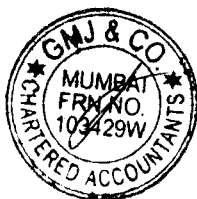
V INTANGIBLE FIXED ASSETS

Intangible Assets are stated at cost less accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised on a straight line basis over the estimated useful economic life.

Assets	Rates
Computer software	16.21%
Technical Know How	16.21%

VI INVESTMENTS

Current Investments are carried at the lower of cost and quoted/ fair value, computed category wise. Long Term investments are stated at cost. Provision for diminution in the value of Long Term investments is made only if such a decline is other than temporary in the opinion of the management.



GLOBAL COMPOSITES & STRUCTURALS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

VII INVENTORIES

Items of Inventories are measured at lower of cost or net realizable value.

Cost for Raw Materials is computed on F.I.F.O. basis.

Cost for work-in-progress includes raw material cost, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

Cost for Finished Goods includes raw material cost, costs of conversion and other costs incurred in bringing the inventories to their present location/ condition and excise duty.

Cost for Stores and Spares are computed on F.I.F.O. basis.

VIII REVENUE RECOGNITION

Sales turnover for the year includes sales value of goods sold. The sales amount is inclusive of Excise Duties and exclusive of Sales Tax and other reimbursement of expenses etc. and is net of Sales Return during the year.

IX FOREIGN CURRENCY TRANSLATION

Transactions in foreign exchange are accounted for at the exchange rates prevailing on the date of transaction. Current Assets and Current liabilities are translated at the year-end rate. The difference between the rate prevailing on the date of transaction and on the date of settlement as also on translation of current assets and current liabilities at the end of the year is recognized as income or expense as the case may be

X RECOGNITION OF EXPENDITURE

a. Retirement Benefits:

Contributions to Provident Fund are charged to the Profit & Loss Account as incurred. Expenses on training, recruitment are charged to revenue in the year of incurrence.

During the year Leave Encashment and Gratuity benefits are provided on the basis of calculation made by the management and not as per actuarial valuation.

b. Direct Taxes

Deferred tax for timing differences between tax profits and book profits is accounted for using tax rates and laws that have been enacted or substantially enacted as on the Balance Sheet date. Deferred tax assets are recognized to the extent there is reasonable certainty that these assets can be realized in future.

XI EARNING PER SHARE

Basic earnings per share are 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.

For the purpose of calculating diluted earnings 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.

XII PROVISION

Provisions are recognized when the company has legal and constructive obligation as a result of past event for which it is probable that cash outflow will be required and a reliable estimate can be made of the amount of obligation.

XIII CONTINGENT LIABILITIES

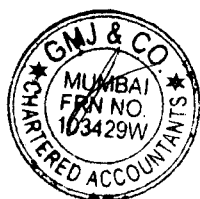
Contingent Liabilities are disclosed when the company has possible or present obligation and it is probable that cash outflow will not be required to settle that obligation.

XIV EXCISE DUTY

Excise Duty payable in respect of finished goods is accounted on clearance. Cenvat Credit utilized during the year is accounted in Excise Duty and unutilized balance at the end of the year is considered as advance Excise Duty.

XV CONTINGENCIES AND EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

There are no contingencies and events after the Balance Sheet dates that materially affect the financial position of the company.



GLOBAL COMPOSITES & STRUCTURALS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

NOTE 2 - SHARE CAPITAL

Amount in (₹)

Particulars	AS AT 31.03.2016		AS AT 31.03.2015	
	No. of shares	Rupees	No. of shares	Rupees
(a) Authorised				
- Equity shares of ₹10/- each with voting rights	1,00,00,000	10,00,00,000	1,00,00,000	10,00,00,000
(b) Issued, Subscribed and fully paid up				
- Equity shares of ₹10/- each with voting rights	29,35,500	2,93,55,000	28,30,000	2,83,00,000
Total	29,35,500	2,93,55,000	28,30,000	2,83,00,000

(i) Terms/ rights attached to equity shares

The company has only one class of equity shares having par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(ii) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Issued during the year	Closing Balance
Equity shares with voting rights			
Year ended 31 March, 2016			
- Number of shares	28,30,000	1,05,500	29,35,500
- Amount (₹)	2,83,00,000	10,55,000	2,93,55,000
Year ended 31 March, 2015			
- Number of shares	28,30,000	-	28,30,000
- Amount (₹)	2,83,00,000	-	2,83,00,000

(iii) Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates

Out of equity issued by the company, shares held by its holding company, ultimate holding company and their subsidiaries/ associates are as below:

Numbers	31-Mar-16 Rupees	31-Mar-15 Rupees
M/s Ion Exchange (I) Limited the holding company		
2,170,000 (31 March 2015: 2,170,000) equity shares of ₹10 each fully paid	2,17,00,000	2,17,00,000
M/s Rockman Merchants Ltd.the Associate company		
7,15,500 (31 March 2015: 610,000) equity shares of ₹10 each fully paid	71,55,000	61,00,000
	2,88,55,000	2,78,00,000

(iv) Details of shares held by each shareholder holding more than 5% shares:

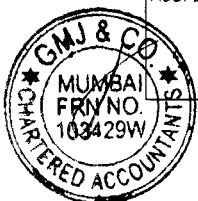
Class of shares / Name of shareholder	AS AT 31.03.2016		AS AT 31.03.2015	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
M/s Rockman Merchants Ltd.	715500	24.37%	610000	21.55%
Ion Exchange India Ltd.	2170000	73.92%	2170000	76.68%

As per records of the company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

NOTE 3 - RESERVES & SURPLUS

Amount in (₹)

	AS AT 31.03.2016	AS AT 31.03.2015
Balance in Statement of Profit and Loss		
Opening Balance	(11,19,19,576)	(6,24,86,342)
Less: Adjustment relating to Fixed assets	-	7,03,866
Add: Balance in Profit and Loss Account	(4,06,52,494)	(4,87,29,368)
	(15,25,72,069)	(11,19,19,576)
	(15,25,72,069)	(11,19,19,576)



GLOBAL COMPOSITES & STRUCTURALS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

NOTE 4 - LONG TERM BORROWINGS

Amount in (₹)

	Non - Current Maturities		Current Maturities	
	AS AT		AS AT	
	31.03.2016	31.03.2015	31.03.2016	31.03.2015
Secured				
Loan From The Thane Janta Sahkari Bank Ltd.				
Term loan	-	-	43,09,529	43,75,298
Property loan	-	-	62,64,783	63,64,168
Corporate Loan	3,41,21,951	4,30,04,564	1,10,29,668	59,90,034
	3,41,21,951	4,30,04,564	2,16,03,980	1,67,29,500

4(A) Details of Terms of repayment for Long term borrowings and security provided in respect of the secured Long-term borrowings

Amount in (₹)

Particulars	Security	Terms of repayment	Non - Current Maturities		Current Maturities	
			AS AT		AS AT	
			31.03.2016	31.03.2015	31.03.2016	31.03.2015
Term loans from banks						
Term loan in Rupees	The loan is secured against Hypothecation of Plant & Machinery , tools & equipments, & Furniture & Fixtures, both present & future.	The loan is repayable in 75 monthly installments of Rs.418000/- along with interest, from the date of loan.(ROI Carries @ 13.75% p.a)		-	43,09,529	43,75,298
Property loan	The loan is Secured against Equitable Mortgage of Land & Building situated at Village Nichole, Tal. Wada, Dist. Thane.	The loan is repayable in 71 monthly installments of Rs.570000/- along with interest, from the date of loan.(ROI Carries @ 13.75% p.a.)			62,64,783	63,64,168
Corporate Loan	The loan is Secured against supplementary Mortgage of factory Land & Building situated at Village Nichole, Tal. Wada, Dist. Thane	The loan is repayable in 96 monthly installments of Rs.919139/- along with interest, after six months from the date of loan.(ROI Carries @ 13.75% p.a.)	3,41,21,951	4,30,04,564	1,10,29,668	59,90,034
			3,41,21,951	4,30,04,564	2,16,03,980	1,67,29,500

NOTE 5 - OTHER LONG TERM LIABILITIES

Amount in (₹)

	AS AT 31.03.2016	AS AT 31.03.2015
Trade payables (including acceptances)	3,16,82,526	2,33,30,036
Other liabilities		
Sundry Creditors for Expenses	13,33,824	18,08,049
Sundry Creditors for Job Work	32,27,029	32,79,893
	3,62,43,378	2,84,17,977

NOTE 6 - PROVISIONS

Amount in (₹)

	Long Term		Short Term	
	AS AT		AS AT	
	31.03.2016	31.03.2015	31.03.2016	31.03.2015
Others:				
(a) Provision for gratuity	14,423	12,999		3,05,537
(b) Provision for Leave Encashment	16,935	17,652		2,31,488
	31,358	30,651	-	5,37,025



GLOBAL COMPOSITES & STRUCTURALS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

NOTE 7 - SHORT TERM BORROWINGS

Amount in (₹)

	AS AT 31.03.2016	AS AT 31.03.2015
Secured Loans		
Cash Credit with The Thane Janta Sahakari Bank Ltd	11,99,50,188	12,19,02,187
	11,99,50,188	12,19,02,187

Cash credit from banks is secured against hypothecation of Stock and Book debts and supplementary Mortgage of Factory Land & Building at Village Nichole, Wada, Dist. Thane covering total exposure and Hypothecation of Plant and Machinery present and future covering total exposure and Personal guarantee of Directors and Corporate Guarantee of M/s. Ion Exchange India Ltd. The cash credit is repayable on demand and carries interest @ 13.75% p.a.

NOTE 8 - TRADE PAYABLES

Amount in (₹)

	AS AT 31.03.2016	AS AT 31.03.2015
Unsecured		
- Outstanding for a period exceeding six months from the date they are due for payment	1,42,593	7,10,707
	1,42,593	7,10,707

NOTE 9 - OTHER CURRENT LIABILITES

Amount in (₹)

	AS AT 31.03.2016	AS AT 31.03.2015
(a) Current maturities of long-term debt	2,16,03,980	1,67,29,500
(b) Advances from Customers	6,98,81,463	7,58,02,073
(c) Sundry Creditors for Expenses	35,78,417	31,14,896
(d) Book Overdraft with Schedule Bank	-	2,46,862
(e) Other payables		
Duties and Taxes	45,32,242	20,47,708
	9,95,96,101	9,79,41,039



GLOBAL COMPOSITES & STRUCTURALS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

NOTE 10 - FIXED ASSETS

DETAILS	GROSS BLOCK			DEPRECIATION			NET BLOCK		Amount in (₹)	
	AS AT 01.04.2015	Purchase/ Additions/ Adjustments	Sale/ Deductions/ Adjustments	AS AT 31.03.2016	Upto 01.04.2015	For the Period	Withdrawals/ Written back	AS AT 31.03.2016	As at 31.03.2016	As at 31.03.2015
	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)
TANGIBLE ASSETS										
Land	1,38,34,457	-	-	1,38,34,457	-	-	-	-	1,38,34,457	1,38,34,457
Building	2,16,72,923	-	-	2,16,72,923	62,80,848	6,73,087	-	69,53,935	1,47,18,988	1,53,92,075
Plant and Machinery	4,88,69,892	-	1,70,000	4,86,99,892	1,92,31,405	37,49,250	46,787	2,29,33,867	2,57,66,024	2,96,38,487
Computers	13,36,954	-	-	13,36,954	12,61,791	50,181	-	13,11,972	24,983	75,163
Office Equipments	16,31,464	-	-	16,31,464	13,22,189	1,07,753	-	14,29,942	2,01,522	3,09,275
Furniture & Fittings	4,48,250	-	-	4,48,250	2,68,983	74,641	-	3,43,624	1,04,626	1,79,267
Total (A)	8,77,93,940	-	1,70,000	8,76,23,940	2,83,65,215	46,54,912	46,787	3,29,73,340	5,46,50,600	5,94,28,725
INTANGIBLE ASSETS										
Technical know How	1,94,445	-	-	1,94,445	1,01,295	31,520	-	1,32,814	61,631	93,150
Computer software	1,73,608	-	-	1,73,608	84,709	28,142	-	1,12,850	60,758	88,899
Total (B)	3,68,053	-	-	3,68,053	1,86,003	59,661	-	2,45,665	1,22,388	1,82,050
AS AT 31.03.2016	8,81,61,993	-	1,70,000	8,79,91,993	2,85,51,219	47,14,574	46,787	3,32,19,005	5,47,72,988	5,96,10,775
AS AT 31.03.2015	8,80,75,541	86,452	-	8,81,61,993	2,30,24,189	48,23,164	(7,03,866)	2,85,51,219	5,96,10,775	6,50,51,352

Depreciation and amortisation relating to continuing operations:

Particulars	Amount in (₹)	
	YEAR ENDED 31.03.2016	YEAR ENDED 31.03.2015
Depreciation and amortisation for the year on		
Tangible Assets	46,54,912	47,63,502
Intangible Assets	59,661	59,661
Depreciation and amortisation relating to continuing operations	47,14,574	48,23,164



GLOBAL COMPOSITES & STRUCTURALS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

NOTE 11 - INVESTMENTS

Amount in (₹)

	Non Current		Current	
	AS AT		AS AT	
	31.03.2016	31.03.2015	31.03.2016	31.03.2015
Unquoted Non-trade investments (valued at cost) In Equity Shares 750 (750) Equity Shares of Process Automation Engineering Limited of ₹10/- each	1	1	-	-
9,999 (9,999) Equity Shares of The Thane Janata Sahakari Bank Limited of ₹50/- each	1 4,99,950	1 4,99,950	- -	- -
	4,99,951	4,99,951	-	-
	4,99,951	4,99,951	-	-

Aggregate amount of quoted investments

-

-

Aggregate amount of unquoted investments

4,99,951

4,99,951



GLOBAL COMPOSITES & STRUCTURALS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

NOTE 12 - LONG TERM LOANS & ADVANCES

	Amount in (₹)	
	AS AT 31.03.2016	AS AT 31.03.2015
Unsecured, considered good		
(a) Security deposits	14,25,257	11,07,172
(b) Balance With Government / Revenue Authorities	81,58,041	79,39,790
(c) Other Loans & Advances	2,20,195	4,89,317
	98,03,493	95,36,279

NOTE 13 - OTHER NON CURRENT ASSETS

	Amount in (₹)	
	AS AT 31.03.2016	AS AT 31.03.2015
(a) Trade receivables		
Unsecured, considered good unless stated otherwise		
Due more than one year		
Unsecured, considered good	2,27,20,349	1,76,36,178
(b) Non-current bank balances (Bill Discounting Margin)	1,972	1,972
	2,27,22,321	1,76,38,150

NOTE 14 - INVENTORIES

	Amount in (₹)	
	AS AT 31.03.2016	AS AT 31.03.2015
Inventories at the end of the year		
Raw Material	1,65,38,480	1,48,73,856
Works-In-Progress	5,29,77,097	9,65,80,575
Stores/Spares	26,00,546	31,58,511
	7,21,16,123	11,46,12,942

NOTE 15 - TRADE RECEIVABLES

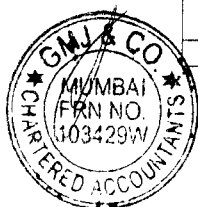
	Amount in (₹)	
	AS AT 31.03.2016	AS AT 31.03.2015
Secured, considered good:		
- Outstanding for a period exceeding six months from the date they are due for payment		-
- Others		-
Unsecured, considered good:		
- Outstanding for a period exceeding six months from the date they are due for payment	823	51,03,510
- Others	58,82,867	10,73,705
Unsecured, considered doubtful:		
- Outstanding for a period exceeding six months from the date they are due for payment	-	-
- Others	-	-
Less: Provision for Doubtful Debts	-	-
	58,83,690	61,77,215

NOTE 16 - CASH & BANK BALANCES

	Amount in (₹)	
	AS AT 31.03.2016	AS AT 31.03.2015
Cash and bank Balances		
(a) Cash in hand		
Cash in Indian Rupees	2,80,727	8,98,971
(b) Bank Balances with Scheduled Banks		
in Current Accounts	89,926	-
	3,70,654	8,98,971

NOTE 17 - SHORT TERM LOANS & ADVANCES

	Amount in (₹)	
	AS AT 31.03.2016	AS AT 31.03.2015
Unsecured, considered good		
(a) Balances with government authorities	3,87,120	7,03,306
(b) Others Loans & Advances	3,12,157	3,01,983
	6,99,277	10,05,289



GLOBAL COMPOSITES & STRUCTURALS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

NOTE 18 - REVENUE FROM OPERATIONS

	Amount in (₹)	
	YEAR ENDED 31.03.2016	YEAR ENDED 31.03.2015
Revenue from Operations		
a) Sale of Products		
Finished Goods	6,41,09,706	4,28,15,093
Sale Of Scrap	1,13,558	6,02,319
b) Sale of Services	-	80,000
Revenue From Operations (Gross)	6,42,23,264	4,34,97,412
Less: Excise Duty	69,94,048	29,76,423
Revenue From Operations (Net)	5,72,29,216	4,05,20,989

Detail Of Products Sold

	Amount in (₹)	
	YEAR ENDED 31.03.2016	YEAR ENDED 31.03.2015
Finished goods sold		
Frp Plates (LAMELLA)	-	9,27,458
Grp/Ms Pipe Work / Piping	35,80,979	69,843
FRP Tank/ Vessel	1,34,07,962	40,073
Frp Pressure Tube/Pipe /Vessel	34,32,704	1,51,93,283
FRP ITEMS	4,18,87,022	3,63,990
MS Fabrication – Tanks/Vessels	-	88,59,521
Others (Excisable)	-	73,85,655
Hrsc / Uhrsc / Thickner	-	67,58,268
Others (Non-Excisable)	-	32,17,002
	6,41,09,706	4,28,15,093
Traded Goods		
Chemical	-	-

NOTE 19 - OTHER INCOME

	Amount in (₹)	
	YEAR ENDED 31.03.2016	YEAR ENDED 31.03.2015
(a) Interest		
i. Electricity Deposits	76,670	-
(b) Dividends (Current Investments)	75,000	75,000
(c) Miscellaneous Income	52,57,221	1,25,876
	54,08,891	2,00,876



GLOBAL COMPOSITES & STRUCTURALS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

NOTE 20 - COST OF RAW MATERIAL AND COMPONENTS CONSUMED

	Amount in (₹)	
	YEAR ENDED 31.03.2016	YEAR ENDED 31.03.2015
Inventory at the beginning of the year	1,48,73,856	3,47,86,389
Add: Purchases	69,69,169	1,07,75,922
	2,18,43,025	4,55,62,311
Less: inventory at the end of the year	1,65,38,480	1,48,73,856
Cost of raw material and components consumed	53,04,545	3,06,88,455

DETAILS OF RAW MATERIAL AND COMPONENTS CONSUMED

	Amount in (₹)	
	YEAR ENDED 31.03.2016	YEAR ENDED 31.03.2015
Pipes	42,632	1,81,028
Ms Plates	-	46,98,192
General Purpose Resin	1,92,650	11,11,690
HDPE GP (Imported Goods) - Granuel	-	1,37,264
Flanges	-	8,19,166
UHRSCC & HRSCC	-	1,31,630
Others #	50,69,264	2,36,09,485
	53,04,545	3,06,88,455

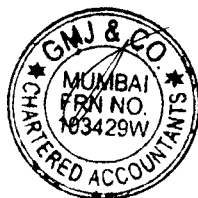
DETAILS OF INVENTORY

	Amount in (₹)	
	YEAR ENDED 31.03.2016	YEAR ENDED 31.03.2015
Raw material and components		
General Purpose Resin	1,853	1,92,650
Ms Pipes	18,28,902	18,32,234
Ms Plates	24,06,732	23,52,172
Flanges	23,17,432	20,43,654
Others #	99,83,561	84,53,146
	1,65,38,480	1,48,73,856

It is not practicable to furnish information in view of the large number of items which differ in size and nature; each being less than 10% in value of the total.

NOTE 21 - OPERATING EXPENSES

	Amount in (₹)	
	YEAR ENDED 31.03.2016	YEAR ENDED 31.03.2015
(a) Consumption of stores and spares	6,99,828	11,87,147
(b) Job Work charges	33,64,561	54,27,330
(c) Electricity Charges (Factory)	16,79,256	16,44,369
	57,43,645	82,58,846



GLOBAL COMPOSITES & STRUCTURALS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

NOTE 22 - CHANGES IN INVENTORIES OF WORK-IN-PROGRESS

Amount in (₹)

	YEAR ENDED 31.03.2016	YEAR ENDED 31.03.2015
Inventories at the end of the year: Work-in-progress	5,29,77,097	9,65,80,575
	5,29,77,097	9,65,80,575
Inventories at the beginning of the year: Work-in-progress	9,65,80,575	9,45,53,973
	9,65,80,575	9,45,53,973
Net (increase) / decrease	4,36,03,478	(20,26,602)

NOTE 23 - EMPLOYEES BENEFITS EXPENSES

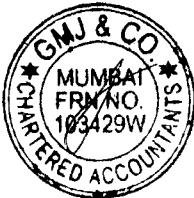
Amount in (₹)

	YEAR ENDED 31.03.2016	YEAR ENDED 31.03.2015
(a) Salaries and Wages	6,43,533	50,89,032
(b) Contribution to Provident and Other Funds	45,300	2,13,250
(c) Staff Welfare Expenses	74,973	4,01,496
(d) Gratuity and leave encashment	31,358	1,29,050
	7,95,164	58,32,828

NOTE 24 - FINANCE COST

Amount in (₹)

	YEAR ENDED 31.03.2016	YEAR ENDED 31.03.2015
(a) Interest on Term Loan	7,42,231	6,82,342
(b) Interest on Cash Credit	2,05,91,327	2,04,88,447
(c) Interest on Property Loan	10,79,615	9,95,532
(d) Interest on OBD	1,000	20,848
(e) Interest on Corporate loan	75,18,021	67,51,152
(f) Bank Charges	2,47,085	-
	3,01,79,279	2,89,38,321



GLOBAL COMPOSITES & STRUCTURALS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

NOTE 25 - OTHER EXPENSES

	Amount in (₹)	
	YEAR ENDED 31.03.2016	YEAR ENDED 31.03.2015
1 Power and Fuel Expense	43,772	6,490
2 Hydra (Crain) and Equipment Hire Charges	26,154	70,076
3 factory General Expense	-	5,600
4 Repairs and Maintenance (Mfg)	30,748	19,296
5 Security Service Charges	14,73,442	12,07,390
6 Rent, Rates and Taxes	7,21,698	2,76,803
7 Printing and Stationery Expenses	23,068	18,597
8 Travelling and Conveyance Expenses	47,919	2,35,392
9 Postage and Courier Charges	2,360	5,174
10 Repairs and Maintenance (Others)	1,12,126	32,063
11 Telephone, Mobile and Internet Expenses	1,22,368	1,63,991
12 Books and Periodicals	-	4,000
13 Car Expenses	-	4,600
14 Car Hire Charges	11,03,079	10,92,108
15 Loading and Unloading Charges	16,850	(3,750)
16 Guest House Expenses	1,45,215	2,01,201
17 Membership and Subscription Charges	19,800	19,800
18 Inspection and Testing Charges	21,740	-
19 Insurance Charges	1,80,284	2,48,428
20 Legal, Professional and Consultancy Charges	7,64,071	2,70,500
21 Pooja Expenses	-	2,010
22 Donation	-	4,300
23 R.O.C. Filing Fees	-	2,000
24 Miscellaneous Expenses	33,934	48,343
25 Discount Allowed	71,56,651	67,38,202
26 Sales Promotion	-	14,53,980
27 Conference Expenses	-	135
28 Transportation Charges	8,767	1,43,871
29 Bank Charges	-	20,069
30 Payment to auditor (Refer details below)	1,50,000	1,50,000
31 Penalty/Interest Paid	2,80,286	41,779
32 Excise Duty and Interest thereon	27,545	68,085
	1,25,11,877	1,25,50,533

	Amount in (₹)	
	YEAR ENDED 31.03.2016	YEAR ENDED 31.03.2015
PAYMENT TO AUDITORS		
(a) Statutory Audit Fees	1,20,000	1,20,000
(b) Tax Audit Fees	30,000	30,000
	1,50,000	1,50,000

NOTE 26 - EXCEPTIONAL ITEMS

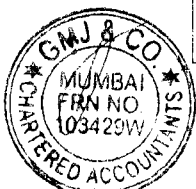
	Amount in (₹)	
	YEAR ENDED 31.03.2016	YEAR ENDED 31.03.2015
(a) Sundry Balance Written Off (Net)	-	(1,56,984)
(b) Prior Period Expenses	4,84,826	5,42,673
	4,84,826	3,85,689

NOTE 27 - EXTRA ORDINARY ITEMS

	Amount in (₹)	
	YEAR ENDED 31.03.2016	YEAR ENDED 31.03.2015
(a) Profit on sale of Fixed Assets	46,787	-
	46,787	-

NOTE 28 EARNING PER SHARE

		Amount in (₹)	
		YEAR ENDED 31.03.2016	YEAR ENDED 31.03.2015
Loss after tax	(A)	(4,06,52,494)	(4,87,29,368)
Weighted average number of equity shares	(B)	29,24,835	28,30,000
Basic & Diluted earnings per share	(A)/(B)	(13.90)	(17.22)



GLOBAL COMPOSITES & STRUCTURALS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

NOTE 29 RELATED PARTY DISCLOSURE:

Description of relationship	Names of related parties
Holding Company	Ion Exchange (India) Limited
Associates	Ion Exchange Enviro Farms Limited Ion Exchange Waterleau Limited Astha Technical Services Limited Headway Corporate Resources Limited Process Automation Engineers Limited Ion Exchange Projects and Engineering Limited Aquanomics Systems Limited Ion Exchange Project & Engineering Ltd.
Key Management Personnel (KMP)	Mahabir Prasad Patni Ankur Patni Dinesh Sharma Rajesh Sharma

Note: Related parties have been identified by the Management and relied on by the auditors.

Details of related party transactions during the year ended 31.03.2016 and balances outstanding as at 31.03.2016:

Amount in (₹)

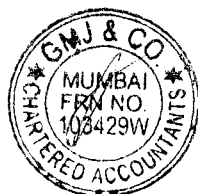
Name of Party	Nature of Transaction	Amount (Rs.)		(Debit) Balance (Rs.)
		2015-16	2014-15	
Ion Exchange Projects and Engineering Limited				(12,97,269)
Ion Exchange Asia Pacific Pvt. Ltd.				(17,37,013)
Ion Exchange Enviro Farms Limited	Diwali Gift/Expense		-	35,330
Aquanomics Systems Ltd.	Sales & Services Rendered	1,36,301	2,17,140	(19,75,660)
	Purchase of Goods			
	Advance Received			
Ion Exchange Waterleau Limited				-
	Sales & Services rendered to Party	-	19,854	
	Advance Received	-	-	
Ion Exchange (India) Limited	Purchase of Goods	66,51,034	28,02,684	7,14,38,515
	Sales and Services Rendered	6,70,71,853	3,64,08,715	
	Advance Received	4,75,43,894	7,31,81,668	
	Reimbursement of Expenses			
Ion Exchange Project & Engineering Ltd.				
	Sales & Services rendered to Party		-	
	Advance Received		6,36,017	

Other transactions

Ion Exchange (India) Ltd, Holding concern of the company has given Corporate Guarantee for amount aggregating to Rs 10.00 Crores against the Cash Credit facility of Rs 11,99,50,188/- availed from Thane Janta Sahakari Bank Ltd.

NOTE 30

The Company has initiated the process of obtaining confirmation from suppliers regarding the registration under the "Micro, Small and Medium Enterprises Development Act, 2006". The suppliers are not registered wherever the confirmation are received and in other cases, the Company is not aware of their registration status and hence information relating to outstanding balance or interest due is not disclosed as it is not determinable.



GLOBAL COMPOSITES & STRUCTURALS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

NOTE 31

Imported and indigenous raw materials, components and spare parts consumed

Raw Materials	% of total consumption 31-Mar-16	Value ₹ 31-Mar-16	% of total consumption 31-Mar-15	Value ₹ 31-Mar-15
Imported	-	-	0.45	1,37,264
Indigenously obtained	100.00	53,04,545	99.55	3,05,51,191
	100.00	53,04,545	100.00	3,06,88,455

NOTE 32

Networth

The net worth of the Company has been eroded completely as at 31st March 2016. The Management has undertaken various cost reduction programs during the year and it expects better returns in the coming years from manufacturing of composites, FRP storage tank, FRP tanks for swimming Pools and fabrication of FRP/GRP pipes and fitting as a result of improved business sentiments.

In addition to the above the management has decided to provide manufacturing facilities at Wada to Ion Exchange India Ltd to manufacture their products on Job work basis. This will generate additional revenue to the company.

In view of the present financial position of the company the Holding Company has assured that it is not their intention to withdraw the existing financial support to the Company and also to provide and maintain sufficient financial supports and assistance as may be needed to enable the business activities of the company to continue to be conducted as a going concern.

In view of these, the accounts of the Company have been prepared on a 'going concern' basis.

NOTE 33

The balances of sundry debtors, creditors and loans & advances are subject to confirmation and reconciliation, if any.

NOTE 34

The Company is in process of identifying the small scale industrial undertaking(s) to whom the company owes any sum together with interest outstanding for more than thirty days exceeding Rs.1,00,000/-

NOTE 35

Previous year figures have been regrouped / rearranged wherever necessary to conform to the current years' presentation.

As per our report of even date attached

For GMJ & CO.

Chartered Accountants

F.R.No. 103429W

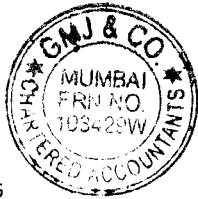
Atul Jain
CA ATUL JAIN

Partner

M.No.: 037097

Mumbai

Date : 24/05/2016



For and on behalf of the board

[Signature]

Director

[Signature]

Director