

# Third Audit Report

FINANCIAL YEAR

2015-16

## **Akshar Spintex Private Limited**

Revenue Survey No.102/2 Paiki, Plot No. - 2, Ranuja  
Road , Haripar, Tal: Kalawad

CIN: U17291GJ2013PTC075677

AUDITORS:

**H. B. Kalaria & Associates**

CHARTERED ACCOUNTANTS

A-601/602, The Imperial Heights, Opp. Big Bazaar,  
150 ft. Ring Road, Rajkot - 360005.

## **Akshar Spintex Private Limited**

### **Board of Directors' Report**

To,  
The Members,  
**Akshar Spintex Private Limited**

The Board is pleased to present the Third Board of Directors' Report on the Affairs of the Company together with the Audited Accounts for the year ended 31st March, 2016.

#### **Financial Results:**

Particulars (in ₹)	31/03/2016	31/03/2015
Income from Business	63,94,27,564	17,79,76,040
Other Income	10,63,686	7,53,497
Profit/(Loss) before Depreciation and Amortization	5,74,63,251	1,23,14,146
Depreciation and Amortization	3,59,94,627	1,28,30,473
Profit/(Loss) after Depreciation and Amortization	2,14,68,624	-5,16,327
Provision for Taxation*	45,59,130	-
Provision for Deferred Tax	1,46,31,718	79,67,510
Profit/(Loss) after Taxation	22,77,776	-84,83,837

\* Taxation includes current tax and tax on prior period items as well, if any.

#### **Dividends:**

As your directors wish to plough back the profits for future development of the Company, no dividend is recommended for the year ended 31.03.2016.

#### **Reserves:**

No amount has been transferred to Reserves from the profits derived during the year.

#### **Brief Description of the Company's Working During the Year/State of the Company's Affairs:**

The Board is pleased to inform that the Company has achieved the desired level of quality and quantity of production during the year. The Board shall continue to make decisions that lead to further improvements in the quality of product and efficiency of production in the future. The Board of Director has decided to further expand capacity to improve the market share and better earning.

#### **Change in the nature of business during the Year:**

There has been no change in the nature of business during the year.

#### **Material Changes and Commitments Affecting the Financial Position of the Company between the End of the Financial Year and the Date of the Report:**

There has been no material change that has affected the Company during the above mentioned period that is material in nature.

#### **Details of Subsidiaries/Joint Ventures/Associate Companies and their Financial Performance:**

The Company has no subsidiaries/JVs/Associate Companies during the Financial Year.

#### **Deposits:**

In the year under review, the Company has not accepted any deposits from the Public as defined u/s 73 of the Companies Act, 2013.

#### **Comments on the Audit Report:**

No adverse remarks, qualifications or reservations have been made by the Statutory Auditor in their Audit Report. Notes to Accounts in the Report are self-explanatory in nature and do not require any specific comments in the Opinion of the Board.

#### **Issue of equity shares with differential rights/sweat shares/ESOPS etc.**

No shares have been issued as sweat equity/ESOPS etc. nor have any shares been issued with differential voting rights during the year.

#### **Extract of the Annual Return**

The Extract of the Annual Return in Form MGT-9 is attached separately and forms part of the Director's Report.

## Akshar Spintex Private Limited

### Board of Directors' Report

#### Conservation of Energy & Technology Absorption:

Your company has taken steps to conserve energy. Steps have been taken to identify the areas of excessive energy consumption. Checks have been made to strengthen these areas and timely preventive maintenance has also been carried out to conserve energy.

#### Foreign Exchange Earnings and Outgo:

The company has carried out import during the year, and there has been foreign exchange outgo as under.

Particulars (in ₹)	Currency	31/03/2016	31/03/2015
<b>Outgo</b>			
Plant & Machinery Purchase	Euro	1,87,400	9,40,000
Plant & Machinery Purchase	Dollar	-	1,15,000

#### Change in Directors and Key Management Personnel:

No changes have been made to the composition of the Board of Directors or to the Key Management Personnel of the Company during the period under review.

#### No. of Meetings of the Board of Directors of the Company during the Period:

The Board meets regularly to ensure that it exercises full control over significant strategic, financial, operational and compliance matters of the Company. During the period under review, the Board of Directors conducted Board meetings on 20/04/2015, 04/07/2015, 05/07/2015, 30/07/2015, 20/12/2015 and 12/03/2016 during the financial year.

#### System of Internal Control:

The Company's Directors are responsible for managing the internal control systems of the Company and periodically test the effectiveness of its internal controls. The Company is not required to appoint an Internal Auditor for carrying out an internal audit of the Company.

#### Particulars of Loans, Guarantees etc. falling u/s 186 of the Companies Act 2013:

No loans, guarantees or investments have been made during the year which fall under the definition of section 186 of the Companies Act, 2013.

#### Particulars of Contracts or Arrangements with Related Parties u/s 188 of the Companies Act, 2013:

The company has not entered into contracts or arrangements with related parties, as referred to in sub-section (1) of section 188 of the Companies Act, 2013 except certain arms length transactions under third proviso Therefore Form AOC-2 not applicable.

#### Management Remuneration:

##### Particulars of Employees pursuant to sec. 5(2) of the Companies (Appointment and Remuneration of Management Personnel) Rules, 2014:

As required under the provision of sub rule 2 of Rule 5 of the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014, there is no employee who has been paid more than Rs.60 lacs p.a. or more or Rs. 5 lacs per month during the year under consideration.

#### Remuneration to Directors:

During the year, the following amounts have been paid to Directors as remuneration:

Name of Director	Type Of Remuneration	Amount in ₹
Amitbhai V. Gadhiya	Director Remuneration	4,80,000
Ashokbhai S. Bhalala	Director Remuneration	2,40,000
Prakashkumar Sorathia	Director Remuneration	4,80,000
Rajdeep Mansukhbhai Patel	Director Remuneration	4,80,000
Rekhaben Harikrishna Chauhan	Director Remuneration	4,80,000

## **Akshar Spintex Private Limited**

### **Board of Directors' Report**

#### **Risk Management Policy:**

The Company's operations are exposed to many external and internal risks that can adversely impact the functioning of the Company through its effects on the Company's operational, financial and managerial performance. The Company has not documented the risks as identified by the management and the steps taken by the management to mitigate the same although the management of the Company is well aware of the risks associated with its operations.

#### **Director's Responsibility Statement:**

As required u/s 134(5) of the Companies Act, 2013, your directors undertake that:

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. they had selected such accounting policies and applied them consistently and met judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of financial year and of the profit and loss of the company for that period;
- c. they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. they had prepared the annual accounts on going concern basis; and
- e. they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **Auditors' Report:**

The Auditors have not made any qualifications in their Statutory Audit Report for the period under review. Also, the Notes to Accounts in the Report are self-explanatory and therefore, in the Opinion of the Board, do not require any specific comments.

#### **Auditors:**

Auditors M/s H. B. Kalaria & Associates, Chartered Accountants, shall retire at the conclusion of the ensuing AGM. You are requested to appoint M/s H. B. Kalaria & Associates, Chartered Accountants to be the auditors of the company till the conclusion of the next AGM and fix their remuneration.

#### **Cost Audit:**

The Company is not required to conduct a Cost Audit as prescribed by the Applicable laws.

#### **Details of Significant Orders passed by a Regulator, Court or Tribunal impacting the Going Concern status of the Company's Operations in the future:**

Although at any point of time there may be one or more cases pending with any legal authorities, none are significant to affect the going concern status of the Company.

#### **Appreciation:**

Your Board places on record their appreciation for the devoted services of the employees of the company and also for the kind co-operation and support extended by the banks and government authorities from time to time.

Date: 9th April, 2016

Place: Haripar

For and On Behalf of the Board of Directors

**Akshar Spintex Private Limited**



Director



Director

## Akshar Spintex Private Limited

Extract of Annual Return as on the financial year ended on 31/03/2016

[Pursuant to Sec. 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

### I. Registration and Other Details:

a. CIN:	U17291GJ2013PTC075677
b. Registration Date:	19/06/2013
c. Name of the Company:	Akshar Spintex Private Limited
d. Category/Sub Category of the Company:	Private Limited Company
e. - Address of the Registered Office	Revenue Survey No.102/2 Paiki, Plot No. - 2, Ranuja Road , Haripar, Tal: Kalawad
- Contact Details	E-mail: aksharspintex@gmail.com
f. Whether Listed Company	No
g. Name, Address and Contact Details of Registrar and Transfer Agent, if any	Not Applicable

### II. Principal Business Activities of the Company

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:

Sr. No.	Name and Description of Main Products/Services	NIC Code of the Product/ Service	% of the Total Turnover of the Company
1	Cotton Yarn	1311	98.48%
	<b>Total</b>		<b>98.48%</b>

### III. Particulars of Holding, Subsidiary and Associate Companies

Not Applicable

### IV. Share Holding Pattern (Equity Share Capital Breakup as % of Total Equity)

#### i. Category-wise Share Holding

Sr.	Category of Shareholder	No. of Shares held at the Beginning of the Year				No. of Shares held at the End of the Year				% Change during the Year
		Demat	Physical	Total	% of Total	Demat	Physical	Total	% of Total	
A.	Promoters									
1.	Indian									
	Individual/HUF	-	2,00,10,000	2,00,10,000	100.00%	-	2,40,00,000	2,40,00,000	100.00%	0.00%
	Sub-Total (A1)	-	2,00,10,000	2,00,10,000	100.00%	-	2,40,00,000	2,40,00,000	100.00%	0.00%
2.	Foreign									
	Sub-Total (A2)	-	-	-	0.00%	-	-	-	0.00%	0.00%
	Total (A)=(A1)+(A2)	-	2,00,10,000	2,00,10,000	100.00%	-	2,40,00,000	2,40,00,000	100.00%	0.00%
B.	Public Shareholding									
1.	Institutions									
	Sub-Total (B1)	-	-	-	0.00%	-	-	-	0.00%	0.00%
2.	Non-Institutions									
	Sub-Total (B2)	-	-	-	0.00%	-	-	-	0.00%	0.00%
	Total (B)=(B1)+(B2)	-	-	-	0.00%	-	-	-	0.00%	0.00%

## Akshar Spintex Private Limited

Extract of Annual Return as on the financial year ended on 31/03/2016

C.	Shares held by Custodian for GDRs and ADRs	-	-	-	0.00%	-	-	-	0.00%	0.00%
	Grand Total (A)+(B)+(C)	-	2,00,10,000	2,00,10,000	100.00%	-	2,40,00,000	2,40,00,000	100.00%	0.00%

### ii. Shareholding of Promoters

Sr.	Shareholder's Name	Shareholding at the Beginning of the Year			Shareholding at the End of the Year			% Change during the Year
		No. of Shares	% of Total Shares	% Pledged to Total	No. of Shares	% of Total Shares	% Pledged to Total	
1	REKHABEN HARIKRISHNABHAI CHAUHAN	16,07,000	8.03%	0.00%	24,00,000	10.00%	0.00%	1.97%
2	ASHOKBHAI S BHALALA	14,70,000	7.35%	0.00%	16,80,000	7.00%	0.00%	-0.35%
3	PRAKASHKUMAR RAMBHAI SORATHIA	3,75,000	1.87%	0.00%	4,80,000	2.00%	0.00%	0.13%
4	AMIT VALLABHBHAI GADHIYA	17,70,100	8.85%	0.00%	17,70,100	7.38%	0.00%	-1.47%
5	RAJDEEP MANSUKHBHAI PATEL	12,00,000	6.00%	0.00%	14,34,000	5.98%	0.00%	-0.02%
	<b>Total</b>	<b>64,22,100</b>	<b>32.09%</b>	<b>0.00%</b>	<b>77,64,100</b>	<b>32.35%</b>	<b>0.00%</b>	

### iii. Change in Promoters' Shareholding

1	REKHABEN HARIKRISHNABHAI CHAUHAN	Promoter Shareholding during the Year		Cumulative Shareholding during the Year	
		No. of Shares	% of Total Shares	No. of Shares	% of Total Shares
	Beginning of the Year	16,07,000	8.03%	16,07,000	6.70%
1	(Date - 30/07/2015) (Reason-Allotment)	7,93,000	3.96%	24,00,000	10.00%
	<b>End of the Year</b>			<b>24,00,000</b>	<b>10.00%</b>

2	ASHOKBHAI S BHALALA	Promoter Shareholding during the Year		Cumulative Shareholding during the Year	
		No. of Shares	% of Total Shares	No. of Shares	% of Total Shares
	Beginning of the Year	14,70,000	7.35%	14,70,000	6.13%
1	(Date - 30/07/2015) (Reason-Allotment)	2,10,000	1.05%	16,80,000	7.00%
	<b>End of the Year</b>			<b>16,80,000</b>	<b>7.00%</b>

3	PRAKASHKUMAR RAMBHAI SORATHIA	Promoter Shareholding during the Year		Cumulative Shareholding during the Year	
		No. of Shares	% of Total Shares	No. of Shares	% of Total Shares
	Beginning of the Year	3,75,000	1.87%	3,75,000	1.56%
1	(Date - 30/07/2015) (Reason-Allotment)	1,05,000	0.52%	4,80,000	2.00%
	<b>End of the Year</b>			<b>4,80,000</b>	<b>2.00%</b>

4	AMIT VALLABHBHAI GADHIYA	Promoter Shareholding during the Year		Cumulative Shareholding during the Year	
		No. of Shares	% of Total Shares	No. of Shares	% of Total Shares
	Beginning of the Year	17,70,100	8.85%	17,70,100	7.38%
	<b>End of the Year</b>			<b>17,70,100</b>	<b>7.38%</b>

5	RAJDEEP MANSUKHBHAI PATEL	Promoter Shareholding during the Year		Cumulative Shareholding during the Year	
		No. of Shares	% of Total Shares	No. of Shares	% of Total Shares
	Beginning of the Year	12,00,000	6.00%	12,00,000	5.00%
1	(Date - 30/07/2015) (Reason-Allotment)	2,34,000	1.17%	14,34,000	5.98%
	<b>End of the Year</b>			<b>14,34,000</b>	<b>5.98%</b>

## Akshar Spintex Private Limited

Extract of Annual Return as on the financial year ended on 31/03/2016

iv. Shareholding Pattern of Top Ten Shareholders (other than Directors, Promoters and Holders of GDR/ADRs)

1	Particulars	Shareholding during the Year		Cumulative Shareholding during the Year	
	Nipaben Vikashbhai Sorathiya	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares
	Beginning of the Year	20,00,000	10.00%	20,00,000	8.33%
1	(Date - 30/07/2015) (Reason-Allotment)	7,05,273	3.52%	27,05,273	11.27%
	<b>End of the Year or (Date of Separation)</b>			<b>27,05,273</b>	<b>11.27%</b>

2	Particulars	Shareholding during the Year		Cumulative Shareholding during the Year	
	Sonal Prakashkumar Sorathia	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares
	Beginning of the Year	16,25,000	8.12%	16,25,000	6.77%
1	(Date - 30/07/2015) (Reason-Allotment)	7,87,727	3.94%	24,12,727	10.05%
	<b>End of the Year or (Date of Separation)</b>			<b>24,12,727</b>	<b>10.05%</b>

3	Particulars	Shareholding during the Year		Cumulative Shareholding during the Year	
	Pravinbhai Shukanbhai Bhalala	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares
	Beginning of the Year	13,20,000	6.60%	13,20,000	5.50%
1	(Date - 30/07/2015) (Reason-Allotment)	3,10,000	1.55%	16,30,000	6.79%
	<b>End of the Year or (Date of Separation)</b>			<b>16,30,000</b>	<b>6.79%</b>

4	Particulars	Shareholding during the Year		Cumulative Shareholding during the Year	
	Pareshbhai Sukanbhai Bhalala	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares
	Beginning of the Year	12,35,000	6.17%	12,35,000	5.15%
1	(Date - 30/07/2015) (Reason-Allotment)	3,55,000	1.77%	15,90,000	6.63%
	<b>End of the Year or (Date of Separation)</b>			<b>15,90,000</b>	<b>6.63%</b>

5	Particulars	Shareholding during the Year		Cumulative Shareholding during the Year	
	Nayan Vallabhbbhai Gadhiya	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares
	Beginning of the Year	10,71,900	5.36%	10,71,900	4.47%
	<b>End of the Year or (Date of Separation)</b>			<b>10,71,900</b>	<b>4.47%</b>

6	Particulars	Shareholding during the Year		Cumulative Shareholding during the Year	
	Abhishekbhai Mansukhbhai Tala	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares
	Beginning of the Year	7,01,000	3.50%	7,01,000	2.92%
1	(Date - 30/07/2015) (Reason-Allotment)	1,65,000	0.82%	8,66,000	3.61%
	<b>End of the Year or (Date of Separation)</b>			<b>8,66,000</b>	<b>3.61%</b>

## Akshar Spintex Private Limited

Extract of Annual Return as on the financial year ended on 31/03/2016

7	Particulars	Shareholding during the Year		Cumulative Shareholding during the Year	
	Harikrishna S Chauhan	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares
	Beginning of the Year	6,00,000	3.00%	6,00,000	2.50%
	End of the Year or (Date of Separation)			6,00,000	2.50%

8	Particulars	Shareholding during the Year		Cumulative Shareholding during the Year	
	Harikrishna S Chauhan HUF	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares
	Beginning of the Year	6,00,000	3.00%	6,00,000	2.50%
	End of the Year or (Date of Separation)			6,00,000	2.50%

9	Particulars	Shareholding during the Year		Cumulative Shareholding during the Year	
	Kantaben V. Gadhiya	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares
	Beginning of the Year	5,00,000	2.50%	5,00,000	2.08%
	End of the Year or (Date of Separation)			5,00,000	2.08%

10	Particulars	Shareholding during the Year		Cumulative Shareholding during the Year	
	Manubhai Gajera	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares
	Beginning of the Year	4,00,000	2.00%	4,00,000	1.67%
1	(Date - 30/07/2015) (Reason-Allotment)	80,000	0.40%	4,80,000	2.00%
	End of the Year or (Date of Separation)			4,80,000	2.00%

v. Shareholding of Directors and KMP

### V. Indebtedness

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Sr.	Particulars	Secured Loans	Unsecured	Deposits	Total
<b>At the Beginning of the Year</b>					
i.	Principal Amount	39,73,08,258	4,19,20,413	-	43,92,28,671
ii.	Interest Due but not Paid	42,52,628	49,52,870	-	92,05,498
iii.	Interest Accrued but not Due	-	-	-	-
	<b>Total i.+ii.+iii.</b>	<b>40,15,60,886</b>	<b>4,68,73,283</b>	-	<b>44,84,34,169</b>
<b>Change during the Year</b>					
	Addition	2,42,32,032	6,66,13,655	-	9,08,45,687
	(Deduction)	-4,07,12,326	-5,63,80,747	-	-9,70,93,073
	<b>Net Change</b>	<b>-1,64,80,294</b>	<b>1,02,32,908</b>	-	<b>-62,47,386</b>
<b>At the End of the Year</b>					
i.	Principal Amount	38,12,59,578	4,85,42,536	-	42,98,02,114
ii.	Interest Due but not Paid	38,21,014	85,63,655	-	1,23,84,669
iii.	Interest Accrued but not Due	-	-	-	-
	<b>Total i.+ii.+iii.</b>	<b>38,50,80,592</b>	<b>5,71,06,191</b>	-	<b>44,21,86,783</b>

### VI. Remuneration of Directors and Key Management Personnel

A. Remuneration to MD, Whole-time Directors and/or Managers: (in ₹)

Not Applicable as no remuneration has been paid during the year.

B. Remuneration to other Directors:

Not Applicable as no other Directors have been appointed by the Company.



# Akshar Spintex Private Limited

Extract of Annual Return as on the financial year ended on 31/03/2016

## C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD

Sr.	Particulars of Remuneration	Name of MD/WTD/Manager					Total
		Amitbhai V. Gadhiya	Ashokbhai S. Bhalala	Prakahkumar Sorathiya	Rajdeep Mansukhbhai Patel	Rekhaben Harikrishna Chauhan	
1	Gross Salary						
a.	Salary as per Sec. 17(1) of IT Act, 1961 ("Act")	4,80,000	2,40,000	4,80,000	4,80,000	4,80,000	21,60,000
	Total (A)	4,80,000	2,40,000	4,80,000	4,80,000	4,80,000	21,60,000

## VII. Penalties/Punishment/Compounding of Offences:

Not Applicable as no penalties have been levied under the Companies Act, 2013.

Date: 9th April, 2016

Place: Haripar

For,

Akshar Spintex Private Limited

  
Director

  
Director

## **Independent Auditors' Report**

To the Members of **Akshar Spintex Private Limited**

### **Report on the Standalone Financial Statements**

1. We have audited the accompanying standalone financial statements of Akshar Spintex Private Limited ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2016, the Statement of Profit & 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 Standalone Financial Statements**

2. The Company's Board of Directors is responsible for the matters stated in Section 143(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements to give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the 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.

### **Auditors' Responsibility**

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.
4. While conducting the audit, we have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.



6. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone 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 the Company's Board of Directors, as well as evaluating the overall presentation of the standalone financial statements.
7. We believe that audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

#### **Opinion**


8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31<sup>st</sup> March, 2016, and its profit and its cash flows for the year ended on that date.

#### **Report on Other Legal and Regulatory Requirements**

9. As required by the Companies (Auditors' Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in **Annexure B** a statement on the matters specified in paragraphs 3 and 4 of the Order.
10. As required by Section 143(3) of the Act, we report, to the extent applicable 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 purposes of our audit of the aforesaid standalone financial statements.
  - b. In our opinion, proper books of account as required by law maintained by the Company, including relevant records relating to preparation of the aforesaid standalone financial statements have been kept so far as it appears from our examination of those books and records of the Company.



- c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained by the Company.
- d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of the written representations received from the directors of the Company as on 31<sup>st</sup> March, 2016 taken on record by the Board of Directors of the Company, none of the directors of the Company is disqualified as on 31<sup>st</sup> March, 2016 from being appointed as a director in terms of Section 164(2) of the Act.
- f. 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 A**.
- g. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our opinion and to the best of our information and according to the explanation given to us:
- i. The financial statements disclose the impact, if any, of pending litigations as at 31<sup>st</sup> March, 2016 on the standalone financial position of the Company.
- ii. The Company does not have any material foreseeable losses on long-term contracts including derivative contracts.
- iii. There were no amounts which were required to be transferred to the Investor Education Protection Fund by the Company.

Place: Rajkot		For <b>H. B. Kalaria &amp; Associates</b>
Date: 09.04.2016		Firm Reg. No. 104571W
		Chartered Accountants
		
		Hasmukh B. Kalaria
		Partner
		Mem. No. 042002



## **Annexure A to Independent Auditors' Report**

**Referred to in paragraph 10(f) of the Independent Auditors' Report of even date to the members of Akshar Spintex Private Limited on the standalone financial statements for the year ended 31<sup>st</sup> March, 2016**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act**

1. In conjunction with our audit of the standalone financial statements of the Company as of and for the year ended 31<sup>st</sup> March, 2016, we have audited the internal financial controls over the financial reporting of **Akshar Spintex Private Limited** ("the Company") as of that date.

#### **Management's Responsibility for Internal Financial Controls**

2. The Company's management is responsible for establishing and maintaining internal financial controls based on 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 the respective 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 Act.



## Annexure A to Independent Auditors' Report

### Auditors' Responsibility

3. 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") issued by the ICAI and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act, 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 ICAI. Those Standards and the Guidance Note require that we comply with the 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.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system 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 assessed risk. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. 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.



## **Annexure A to Independent Auditors' Report**

### **Meaning of Internal Financial Controls Over Financial Reporting**

6. 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 unauthorized acquisition, use, or disposition of the company's assets that could have a material effect of financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

7. 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 control 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.



## Annexure A to Independent Auditors' Report

### Opinion

8. 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<sup>st</sup> March, 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 issued by ICAI.

Place: Rajkot		<b>For H. B. Kalaria &amp; Associates</b>
Date: 09.04.2016		Firm Reg. No. 104571W
		Chartered Accountants
		
		Hasmukh B. Kalaria
		Partner
		Mem. No. 042002





## Annexure B to Independent Auditors' Report

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of Akshar Spintex Private Limited on the standalone financial statements as of and for the year ended 31<sup>st</sup> March, 2016

- i.
  - a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
  - b) The fixed assets are physically verified by the Management from time to time. However, the Company *has not maintained a phased program for the physical verification of the fixed assets of the Company owing to the small nature of the operations of the Company*. The management has not noticed any material discrepancies during the year.
  - c) The title deeds of immovable properties, as disclosed in the notes on fixed assets to the financial statements, are held in the name of the Company.
- ii. The physical verification of inventory excluding stocks with third parties have been conducted at reasonable intervals by the Management during the year. In respect of inventory lying with third parties, if any, have been substantially confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not material. We have relied mostly on the management representations in this matter.
- iii. The Company has not granted any loans to any parties covered in the register maintained under section 189 of the Companies Act, 2013 ("the Act").
- iv. The Company has not granted any loans or made any investments, or provided any guarantee or security to the parties covered under Sections 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. Pursuant to the Rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products.
- vii.
  - a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of income-tax, profession tax, sales tax, VAT and service tax, and including provident fund, employees' state insurance, duty of customs, duty of excise, cess and any other material statutory dues, as applicable, with the appropriate authorities.



## Annexure B to Independent Auditors' Report

- b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, sales tax, wealth tax, VAT and any other material dues which have been disputed and not paid except as outlined below:

Name of Statute	Nature of Dues	Disputed Amount (in Rs.)	Period to which the amount relates	Forum where dispute is pending
	Not Applicable			

- viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.
- ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- 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 explanations given to us, we have neither come across any instances of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the Management.
- xi. The Company has paid managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V of the Act.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The details of related party transactions, if any, have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Account) Rules, 2014.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.



**Annexure B to Independent Auditors' Report**

- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

Place: Rajkot		<b>For H. B. Kalaria &amp; Associates</b>
Date: 09.04.2016		Firm Reg. No. 104571W
		Chartered Accountants
		
		Hasmukh B. Kalaria
		Partner
		Mem. No. 042002



# Akshar Spintex Private Limited

## Balance Sheet as on 31st March, 2016

PARTICULARS	Note	31st March 2016		31st March, 2015	
		Amount in ₹	Amount in ₹	Amount in ₹	Amount in ₹
<b>I. EQUITY AND LIABILITIES</b>					
<b>(1) Shareholder's Funds</b>					
(a) Share Capital	1	24,00,00,000		20,01,00,000	
(b) Reserves and Surplus	2	(62,06,061)		(84,83,837)	
(c) Money Received against Share Warrants		-	23,37,93,939	-	19,16,16,163
<b>(2) Share Application Money</b>					
<b>(3) Non Current Liabilities</b>					
(a) Long-term Borrowings	3	36,19,93,766		35,50,35,296	
(b) Deferred Tax Liabilities (Net)		2,25,99,228		79,67,510	
(c) Other Long-term Liabilities		-		-	
(d) Long-term Provisions		-	38,45,92,994	-	36,30,02,806
<b>(4) Current Liabilities</b>					
(a) Short-term Borrowings	4	2,15,07,685		5,89,45,573	
(b) Trade Payables	5	1,08,41,442		2,67,86,695	
(c) Other Current Liabilities	6	6,40,13,262		5,55,51,642	
(d) Short-term Provisions	7	94,00,450	10,57,62,839	31,01,723	14,43,85,633
<b>TOTAL</b>			<b>72,41,49,772</b>		<b>69,90,04,602</b>
<b>II. ASSETS</b>					
<b>(1) Non-current Assets</b>					
(a) Fixed Assets	8				
i. Tangible Assets					
Gross Block		63,19,03,326		54,89,69,046	
Depreciation		4,84,28,412		1,26,32,129	
Net Block		58,34,74,914		53,63,36,917	
ii. Intangible Assets		-		-	
iii. Capital Work in Progress		-		-	
iv. Intangible Assets under Development		-		-	
(b) Non-current Investments		-		-	
(c) Deferred Tax Assets (Net)		-		-	
(d) Long-term Loans and Advances	9	1,14,500		16,47,861	
(e) Other Non-current Assets	10	5,95,032	58,41,84,446	7,93,376	53,87,78,154
<b>(2) Current Assets</b>					
(a) Current Investments		-		-	
(b) Inventories	11	8,20,43,319		3,97,21,467	
(c) Trade Receivables	12	2,01,03,105		2,07,67,438	
(d) Cash and Bank Balance	13	1,35,78,160		3,33,80,185	
(e) Short-term Loans and Advances	14	2,39,73,941		6,63,57,359	
(f) Other Current Assets	15	2,66,801	13,99,65,326	-	16,02,26,448
<b>TOTAL</b>			<b>72,41,49,772</b>		<b>69,90,04,602</b>
Accompanying Notes to the Financial Statements	27				

As Per Our Separate Report Of Even Date

For, H. B. Kalaria & Associates,

Chartered Accountants

FRN: 104571W

(Hasmukh B. Kalaria)

Partner

M. No. 042002

PAN: AAHFH8868A

Place: Rajkot

Date: 9th April, 2016



For & On Behalf of the Board of Directors

Akshar Spintex Private Limited

  
Director

  
Director

Place: Haripar

Date: 9th April, 2016

**Akshar Spintex Private Limited**

**Statement of Profit & Loss For The Year Ended 31st March, 2016**

PARTICULARS		Note	31st March, 2016	31st March, 2015
			Amount in ₹	Amount in ₹
I.	Revenue From Operations	16	63,94,27,564	17,79,76,040
II.	Other Income	17	10,63,686	7,53,497
III.	<b>Total Revenue (I+II)</b>		<b>64,04,91,250</b>	<b>17,87,29,537</b>
IV.	<b>Expenses:</b>			
a.	Cost of Materials Consumed	18	39,63,88,351	10,75,37,200
b.	Changes in Inventories - FG, WIP and Stock-in-Trade	19	(1,43,36,712)	(1,29,72,658)
c.	Purchase of Stock-in-Trade		-	-
d.	Direct Expenses	20	9,04,61,831	2,96,12,158
e.	Employee Benefit Expenses	21	3,91,47,698	1,07,95,270
f.	Depreciation & Amortization Expenses	22	3,59,94,627	1,28,30,473
g.	Finance Costs	23	6,32,97,084	2,87,61,954
h.	Other Expenses	24	80,69,747	29,98,416
	<b>Total Expenses</b>		<b>61,90,22,626</b>	<b>17,95,62,813</b>
V.	<b>Profit before Exceptional &amp; Extraordinary Items &amp; Tax (III-IV)</b>		<b>2,14,68,624</b>	<b>(8,33,277)</b>
VI.	Exceptional Items	25	-	3,16,950
VII.	<b>Profit Before Extraordinary Items &amp; Tax</b>		<b>2,14,68,624</b>	<b>(5,16,327)</b>
VIII.	Extraordinary Items		-	-
IX.	<b>Profit before Tax</b>		<b>2,14,68,624</b>	<b>(5,16,327)</b>
X.	<b>Tax Expenses:</b>			
	(1) Current Tax		45,59,130	-
	(2) Deferred Tax		1,46,31,718	79,67,510
	(3) Income Tax - Prior Period		-	-
XI.	<b>Profit/(Loss) for the Period from Continuing Operations (IX - X)</b>		<b>22,77,776</b>	<b>(84,83,837)</b>
XII.	Profit/(Loss) from Discontinuing Operations		-	-
XIII.	Tax Expenses from Discontinuing Operations		-	-
XIV.	<b>Profit/(Loss) from Discontinuing Operations (After Tax)</b>		<b>-</b>	<b>-</b>
XV.	<b>Profit/(Loss) for the Period (XI + XIV)</b>		<b>22,77,776</b>	<b>(84,83,837)</b>
XVI.	<b>Earnings per Equity Share</b>	26		
	(1) Basic		0.09	-0.42
	(2) Diluted		0.09	-0.42
	Accompanying Notes to the Financial Statements	27		

As Per Our Separate Report Of Even Date  
For, H. B. Kalaria & Associates,  
Chartered Accountants  
FRN: 104571W

*H. B. Kalaria*  
(Hasmukh B. Kalaria)  
Partner  
M. No. 042002  
PAN: AAHFH8868A  
Place: Rajkot  
Date: 9th April, 2016



For & On Behalf of the Board of Directors  
Akshar Spintex Private Limited

*[Signature]*  
Director

*[Signature]*  
Director

Place: Haripar  
Date: 9th April, 2016

## Akshar Spintex Private Limited

### Cash Flow Statement for the Year Ended 31st March, 2016

Particulars	Year Ended 31st March, 2016		Year Ended 31st March, 2015	
	Amount in ₹	Amount in ₹	Amount in ₹	Amount in ₹
<b>Profit/(Loss) for the period</b>		22,77,776		(84,83,837)
<b>Add: Non-Cash and Non-Operating Activities</b>				
Current Tax	45,59,130		-	
Depreciation & Amortization Expenses	3,59,94,627		1,28,30,473	
Exceptional Items	-		(3,16,950)	
Interest Income	7,50,478		1,96,14,254	
Deferred Tax	1,46,31,718		79,67,510	
Finance Costs	6,32,97,084	11,92,33,037	2,87,61,954	6,88,57,241
<b>Operating Profit before Working Capital Changes</b>		<b>12,15,10,813</b>		<b>6,03,73,404</b>
<b>Changes in Current Assets</b>				
(Increase)/Decrease in Inventories	(4,23,21,852)		(3,97,21,467)	
(Increase)/Decrease in Trade Receivables	6,64,333		(2,07,67,438)	
(Incr.)/Decr. in Short-term Loans and Advances	4,23,83,418		2,18,48,164	
(Increase)/Decrease in Other Current Assets	(2,66,801)	4,59,097	-	(3,86,40,740)
<b>Changes in Current Liabilities</b>				
Increase/(Decrease) in Trade Payables	(1,59,45,253)		2,26,97,495	
Increase/(Decrease) in Other Current Liabilities	84,61,619		5,10,11,935	
Increase/(Decrease) in Short-term Provisions	62,98,727	(11,84,906)	30,16,185	7,67,25,614
<b>Changes in Working Capital During the Year</b>		<b>(7,25,809)</b>		<b>3,80,84,874</b>
<b>Operating Profit after Working Capital Changes</b>		<b>12,07,85,004</b>		<b>9,84,58,278</b>
<b>Less: Taxes Paid/(Refund) during the Year</b>		<b>45,59,130</b>		<b>-</b>
<b>Net Cash Flow from/(used in) Operations</b>		<b>11,62,25,874</b>		<b>9,84,58,278</b>
<b>Cash Flow from Investing Activities</b>				
Changes in Fixed & Intangible Assets	(8,29,34,280)		(42,41,86,307)	
Changes in Long-term Loans and Advances	15,33,361		(15,33,361)	
Interest Income	(7,50,478)		(1,96,14,254)	
Changes in Other Non Current Assets	-		89,63,866	
		(8,21,51,397)		(43,63,70,056)
<b>Net Cash Flow from/(used in) Investing Activities</b>		<b>(8,21,51,397)</b>		<b>(43,63,70,056)</b>
<b>Cash Flow from Financing Activities</b>				
Changes in Share Capital	3,99,00,000		17,50,00,000	
<b>Changes in Reserves:</b>				
Share Application Money	-		(2,50,00,000)	
Exceptional Item	-		3,16,950	
Changes in Long-term Borrowings	69,58,471		16,58,93,883	
Changes in Short-term Borrowings	(3,74,37,888)		5,89,45,573	
Interest on Borrowings	(6,32,97,084)		(2,87,61,954)	
Dividend (Paid) incl. Tax on Dividend		(5,38,76,502)		34,63,94,451
<b>Net Cash Flow from/(used in) Financing Activities</b>		<b>(5,38,76,502)</b>		<b>34,63,94,451</b>
<b>Net Incr./(Decr.) in Cash and Cash Equivalents</b>		<b>(1,98,02,025)</b>		<b>84,82,674</b>
Opening Balance of Cash and Cash Equivalents		3,33,80,185		2,48,97,511
<b>Closing Balance of Cash and Cash Equivalents</b>		<b>1,35,78,160</b>		<b>3,33,80,185</b>

As Per Our Separate Report Of Even Date

For, H. B. Kalaria & Associates,  
Chartered Accountants  
FRN: 104571W

(Hasmukh B. Kalaria)  
Partner  
M. No. 042002  
PAN: AAHFH8868A  
Place: Rajkot  
Date: 9th April, 2016



For & On Behalf of the Board of Directors  
Akshar Spintex Private Limited

*(Signature)*  
Director

*(Signature)*  
Director

Place: Haripar  
Date: 9th April, 2016

## Akshar Spintex Private Limited

### Notes Annexed to and Forming Part of Financial Statements as at 31st March, 2016

Particulars	31st March 2016		31st March, 2015	
	Amount in ₹	Amount in ₹	Amount in ₹	Amount in ₹
<b>Note 1: Share Capital</b>				
<b>Authorized:</b>				
2,40,00,000 (PY 2,40,00,000) Equity Shares of ₹ 10 (PY ₹ 10) each		24,00,00,000		24,00,00,000
<b>Issued Subscribed and Paid Up Capital:</b>				
2,40,00,000 (PY 2,00,10,000) Equity Shares of ₹ 10 (PY ₹ 10) each		24,00,00,000		20,01,00,000
<b>Total</b>		<b>24,00,00,000</b>		<b>20,01,00,000</b>

The Company has only one class of Equity Shares carrying equal voting rights (one equity share of the Company equals one vote). All equity shareholders of the Company are entitled to dividend, if any, declared by the Company.

#### Reconciliation:

Equity Shares	FY 2015-16		FY 2014-15	
	No. of Shares	Amount in ₹	No. of Shares	Amount in ₹
Opening Balance	2,00,10,000	20,01,00,000	25,10,000	2,51,00,000
Add: Shares Issued during the Year	39,90,000	3,99,00,000	1,75,00,000	17,50,00,000
Less: Shares Cancelled during the Year	-	-	-	-
Add: Issued as Bonus Shares	-	-	-	-
<b>Closing Balance</b>	<b>2,40,00,000</b>	<b>24,00,00,000</b>	<b>2,00,10,000</b>	<b>20,01,00,000</b>

#### Details of Shareholders holding more than 5% of the Aggregate Share Capital of the Company:

Name	No. of Shares	% of Total	No. of Shares	% of Total
Amit Vallabhbai Gadhiya	17,70,100	7.38%	17,70,100	8.85%
Ashokbhai S. Bhalala	16,80,000	7.00%	14,70,000	7.35%
Nayan Vallabhbai Gadhiya	10,71,900	4.47%	10,71,900	5.36%
Nipaben Vikashbhai Sorathiya	27,05,273	11.27%	20,00,000	10.00%
Pareashbhai sukanbhai bhalala	15,90,000	6.63%	12,35,000	6.17%
Pravinbhai Shukanbhai Bhalala	16,30,000	6.79%	13,20,000	6.60%
Rajdeep Mansukhlal Patel	14,34,000	5.98%	12,00,000	6.00%
Rekhaben Harikrishna Chauhan	24,00,000	10.00%	16,07,000	8.03%
Sonal Prakashkumar Sorathia	24,12,727	10.05%	16,25,000	8.12%

#### Note 2: Reserves and Surplus

##### Profit & Loss (Surplus)

As per Last Balance Sheet	(84,83,837)		-
Add: Profit during the Year	22,77,776		(84,83,837)
<b>Closing Balance</b>		<b>(62,06,061)</b>	<b>(84,83,837)</b>
<b>Total</b>		<b>(62,06,061)</b>	<b>(84,83,837)</b>

#### Note 3: Long-term Borrowings

##### Secured

##### From Banks

Term Loan from State Bank of India loan - 1	23,85,93,392		28,25,42,084
Term Loan from State Bank Of India loan - 2	6,62,34,084		2,52,40,043
Vehicle Loan from HDFC Bank	60,099		2,66,771
Vehicle Loan from Sundram Finance Ltd	-	30,48,87,575	1,13,115
			30,81,62,013

##### Unsecured

##### From Directors

Amitbhai V. Gadhiya	85,84,221		33,57,425
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# Akshar Spintex Private Limited

## Notes Annexed to and Forming Part of Financial Statements as at 31st March, 2016

Particulars	31st March 2016		31st March, 2015	
	Amount in ₹	Amount in ₹	Amount in ₹	Amount in ₹
Ashokbhai Shukanbhai Bhalala	1,01,35,727		20,29,405	
Prakashkumar R. Sorathia	30,10,793		12,32,816	
Rajdeep Mansukhlal Patel	68,06,829		29,29,030	
Rekhaben Harikrishna Chauhan	80,92,573		82,31,959	
		3,66,30,143		1,77,80,635
<b>From Related Parties &amp; Others</b>		<b>2,04,76,048</b>		<b>2,90,92,648</b>
<b>Total</b>		<b><u>36,19,93,766</u></b>		<b><u>35,50,35,296</u></b>

### Notes on Secured Loans:

- a. The Term Loans from State Bank of India are secured by mortgage and charge on all the immovable properties and movable assets (except Current Assets and Intangible Assets) of the Company.
- b. The Term Loans from State Bank of India are guaranteed by the Directors of the Company.
- c. The Term Loans from State Bank of India are repayable in 84 monthly installments of Rs. 48.57 lacs.
- d. The Unsecured Loan funds have been raised in response to the stipulation imposed by State Bank of India for the secured loans extended.
- e. The Vehicle Loan from Sundram Finance Ltd and HDFC Bank are secured by way of hypothecation of vehicles.
- f. Rate of Interest on Term Loan from State Bank of India +3.20% above BR (i.e. 10%) present effective rate 13.20% p.a. subject to change from time to time.

### Note 4: Short-term Borrowings

#### Secured

#### From Banks

Working Capital Loan from State Bank of India	2,15,07,685	5,89,45,573
	2,15,07,685	5,89,45,573
<b>Total</b>	<b><u>2,15,07,685</u></b>	<b><u>5,89,45,573</u></b>

### Note on Secured Loans

- a. The Working Capital loan from State Bank of India is secured by hypothecation of the current assets of the Company.
- b. The Working Capital loan from State Bank of India is guaranteed by the Directors of the Company.
- c. The Unsecured Loan funds have been raised in response to the stipulation imposed by State Bank of India for the secured loans extended vide sanction letter dt. 31.01.2014.
- d. Rate of Interest on Working Capital Loan is 3% p.a. above base rate (i.e.10%) present effective rate 13% p.a.
- e. Working Capital is repayable on demand

### Note 5: Trade Payables

#### Sundry Creditors for Goods/Services

	1,08,41,442	2,67,86,695
<b>Total</b>	<b><u>1,08,41,442</u></b>	<b><u>2,67,86,695</u></b>

#### Note:

Of the above, trade payables outstanding from related parties amount to Rs. Nil

### Note 6: Other Current Liabilities

#### Current Maturities of Long-term Debt

Term loan Installment of State Bank of India A/c-2 due within next 12 months	1,47,84,000	86,25,000
Term Loan Installment of State Bank of India due within next 12 months	4,35,00,000	2,53,75,000
Vehicle loan installment of HDFC Bank due within next 12 months	2,51,340	2,51,340
Vehicle loan installment of Sundram Finance Ltd due within next 12 months	1,49,992	2,01,960
	5,86,85,332	3,44,53,300
<b>Creditors for Expenses</b>	<b><u>6,33,582</u></b>	<b><u>8,10,868</u></b>





## Akshar Spintex Private Limited

### Notes Annexed to and Forming Part of Financial Statements as at 31st March, 2016

Particulars	31st March 2016		31st March, 2015	
	Amount in ₹	Amount in ₹	Amount in ₹	Amount in ₹
<b>Other Payables/Advances</b>		46,94,348		2,02,87,475
<b>Total</b>		<u>6,40,13,262</u>		<u>5,55,51,642</u>
<b>Note 7: Short-term Provisions</b>				
<b>Provisions for Employees Benefits</b>				
Provident Fund	72,437		75,538	
Provision for Office Staff Salary	1,08,800		-	
Provision for Wages to Worker	11,35,815		-	
		<u>13,17,052</u>		75,538
<b>Provision for Taxation</b>				
Provision for Income Tax	45,59,130		-	
		<u>45,59,130</u>		-
<b>Others</b>				
Provision for Audit Fees	75,000		75,000	
Provision for Electricity Expense	33,05,327		28,06,330	
Provision for Security Expense	1,43,941		1,44,855	
		<u>35,24,268</u>		30,26,185
<b>Total</b>		<u>94,00,450</u>		<u>31,01,723</u>
<b>Note 9: Long-term Loans and Advances</b>				
<b>Security Deposits &amp; Others</b>				
CST Deposit	10,000		10,000	
Kirloskar Toyoto Textile Machinery Pvt. Ltd.	-		1,00,000	
VAT Deposit	10,000		10,000	
PGVCL Deposit	94,500	1,14,500	15,27,861	16,47,861
<b>Total</b>		<u>1,14,500</u>		<u>16,47,861</u>
<b>Note 10: Other Non-current Assets</b>				
<b>Miscellaneous Expenditure</b>				
Preliminary Expense	5,95,032		7,93,376	
		<u>5,95,032</u>		7,93,376
<b>Total</b>		<u>5,95,032</u>		<u>7,93,376</u>
<b>Note 11: Inventories</b>				
<b>Raw Materials &amp; Packing Materials</b>				
Raw Materials & Packing Materials	5,47,33,949		2,67,48,809	
		<u>5,47,33,949</u>		2,67,48,809
<b>Semi-Finished Goods</b>				
Semi-Finished Goods	1,46,34,500		-	
		<u>1,46,34,500</u>		-
<b>Finished Goods</b>				
Finished Goods	1,26,74,869		1,29,72,658	
		<u>1,26,74,869</u>		1,29,72,658
<b>Total</b>		<u>8,20,43,319</u>		<u>3,97,21,467</u>
<b>Note 12: Trade Receivables</b>				
<b>Unsecured</b>				
<b>Exceeding Six Months</b>				
Considered Good	39,00,078		-	
Doubtful	-	39,00,078	-	-



## Akshar Spintex Private Limited

### Notes Annexed to and Forming Part of Financial Statements as at 31st March, 2016

Particulars	31st March 2016		31st March, 2015	
	Amount in ₹	Amount in ₹	Amount in ₹	Amount in ₹
<b>Others</b>				
Considered Good	1,62,03,027		2,07,67,438	
Doubtful	-	1,62,03,027	-	2,07,67,438
<b>Total</b>		<b>2,01,03,105</b>		<b>2,07,67,438</b>
<b>Notes:</b>				
a. Of the above, receivables from Directors outstanding for a period more than six months amounts to Nil.				
b. Of the above, receivables outstanding from Related parties amount to Rs. 39,00,078				
<b>Note 13: Cash and Bank Balance</b>				
<b>Cash On Hand</b>		1,79,959		14,02,910
<b>Balances with Banks:</b>				
<b>Fixed Deposits Exceeding 12 Months</b>				
Fixed Deposit From State Bank Of India - 6577*	12,815		11,877	
Fixed Deposit From State Bank Of India - 7499*	47,760		-	
Fixed Deposit From State Bank Of India - 6382*	1,39,772		-	
Fixed Deposit From State Bank Of India - 5732*	6,44,429		-	
Fixed Deposit From State Bank Of India - 0480*	31,59,323		-	
Fixed Deposit From State Bank Of India - 5042*	1,58,479		1,46,869	
Fixed Deposit From State Bank Of India - 0626*	2,36,449		2,18,638	
Fixed Deposit From State Bank Of India - 9894*	13,81,146		12,80,009	
Fixed Deposit From State Bank Of India - 9954*	88,357		81,887	
Fixed Deposit From State Bank Of India - 8364*	11,18,583		10,31,971	
Fixed Deposit From State Bank Of India - 6178*	8,34,185		7,72,962	
Fixed Deposit From State Bank Of India - 4380*	-		37,41,106	
Fixed Deposit From State Bank Of India - 1753*	26,47,737		24,53,821	
Fixed Deposit From State Bank Of India - 1830*	-		43,82,702	
Fixed Deposit From State Bank Of India - 9183*	58,696		54,276	
		<b>1,05,27,731</b>		<b>1,41,76,118</b>
<b>Others</b>				
Current Account With Bank Of Baroda	-		64,992	
Current Account With State Bank Of India	28,70,471	28,70,471	1,77,36,165	1,78,01,157
<b>Total</b>		<b>1,35,78,160</b>		<b>3,33,80,185</b>
<b>Note:</b>	Of the above, deposits amounting to Rs. 1,05,27,731 (marked by *) are encumbered against advances made by Banks.			
<b>Note 14: Short-term Loans and Advances</b>				
<b>Balances with Government Authorities</b>				
Bank Interest Subsidy Receivable - TUFs	56,74,661		41,91,446	
Bank Interest Subsidy Receivable -GTP,	61,22,606		1,46,70,061	
Excise Duty Receivable	3,48,937		71,22,414	
PGVCL (Unit Rs. 1 Subsidy) Receivable	22,64,370		-	
Power Tariff subsidy Receivable	27,53,760		71,27,987	
TDS Receivable (2013-14)	26,996		26,996	
TDS Receivable (2014-15)	70,948		70,948	
TDS Receivable (2015-16)	75,085		-	
VAT Receivable	58,44,522	2,31,81,885	64,04,368	3,96,14,220
<b>To Others</b>				
Catspin Consultancy	-		50,000	
Core Cables Pvt. Ltd.	-		1,83,041	
Dhruvin Enterprise	4,27,728		-	
Fortune General India	-		44,945	
Hiten Techno Products	-		402	



## Akshar Spintex Private Limited

### Notes Annexed to and Forming Part of Financial Statements as at 31st March, 2016

Particulars	31st March 2016		31st March, 2015	
	Amount in ₹	Amount in ₹	Amount in ₹	Amount in ₹
Kirloskar Toyato Textile Machinery Pvt. Ltd.	18,462		31,68,699	
Krishna Pipes & Sanitarywares	-		25,697	
Moksha Thermo Plastic Pvt. Ltd.	-		4,42,063	
Murata Machinery India Pvt. Ltd.	6,013		-	
Navkar Traders	3,37,557		4,85,720	
Premier Evolvics Pvt. Ltd.	-		1,92,000	
Rajamane Telectric Pvt. Ltd.	1,296		-	
Rieter India Pvt Ltd	-		6,220	
Safety World - Udaypur	-		7,70,000	
Santosh Electric Co.	-		5,291	
Star Plywood & Hardware	-		4,999	
Tarak trivedi	-		5,000	
Truetzschler India Pvt Ltd	-		2,12,59,063	
Vikrant Transformer	-		1,00,000	
White Gold Cotton Testing Laboratory	1,000		-	
		7,92,056		2,67,43,139
<b>Total</b>		<b><u>2,39,73,941</u></b>		<b><u>6,63,57,359</u></b>
<b>Note 15: Other Current Assets</b>				
Pre Paid Insurance on Stock & Factory	2,47,420		-	
Pre Paid Insurance on Vehicle	19,381		-	
		2,66,801		-
<b>Total</b>		<b><u>2,66,801</u></b>		<b><u>-</u></b>
<b>Note 16: Revenue From Operations</b>				
<b>Sale of Products</b>				
Cotton Yarn Sales	57,52,53,387		15,19,78,466	
Waste Bales	88,49,383		-	
		<u>58,41,02,770</u>		<u>15,19,78,466</u>
<b>Other Operating Revenues</b>				
Interest Subsidy (TUFS - 2%)	91,05,793		41,91,446	
Interest Subsidy GTP - 2012- 7%	3,04,01,067		1,46,70,061	
Material Sample Income	-		8,080	
PGVCL Power Tariff Subsidy	1,15,68,903		71,27,987	
PGVCL Subsidy Electricity Duty	42,49,030		-	
		5,53,24,794		2,59,97,574
<b>Total</b>		<b><u>63,94,27,564</u></b>		<b><u>17,79,76,040</u></b>
<b>Note 17: Other Income</b>				
Bank Guarantee Charge Refund	1,24,740		-	
Interest on Fixed Deposit	7,50,478		7,52,747	
Machinery Insurance Refund	77,321		-	
Worker Insurance Claim	1,11,147		-	
Kasar	-	10,63,686	750	7,53,497
<b>Total</b>		<b><u>10,63,686</u></b>		<b><u>7,53,497</u></b>
<b>Note 18: Cost of Materials Consumed</b>				
Opening Stock	2,67,48,809		-	
Add: Purchase	42,43,73,491		13,42,86,009	



## Akshar Spintex Private Limited

### Notes Annexed to and Forming Part of Financial Statements as at 31st March, 2016

Particulars	31st March 2016		31st March, 2015	
	Amount in ₹	Amount in ₹	Amount in ₹	Amount in ₹
Less: Closing Stock	5,47,33,949	39,63,88,351	2,67,48,809	10,75,37,200
<b>Total</b>		<u><u>39,63,88,351</u></u>		<u><u>10,75,37,200</u></u>
<b>Note 19: Changes in Inventories - FG, WIP and Stock-in-Trade</b>				
Opening Stock of Work-in-Progress	-		-	
Less: Closing Stock of Work-in-Progress	1,46,34,500		-	
Opening Stock of Finished Goods	1,29,72,658		-	
Less: Closing Stock of Finished Goods	1,26,74,869	(1,43,36,712)	1,29,72,658	(1,29,72,658)
<b>Total</b>		<u><u>(1,43,36,712)</u></u>		<u><u>(1,29,72,658)</u></u>
<b>Note 20: Direct Expenses</b>				
<b>Consumption of Stores and Spares</b>				
Dies & Tools Expenses	26,413		41,112	
		<u>26,413</u>		<u>41,112</u>
<b>Power and Fuel</b>				
Diesel Expenses	1,01,865		1,89,497	
Electricity Expenses	8,73,17,133	8,74,18,998	2,74,93,444	2,76,82,941
<b>Repairs to Building and Machinery</b>				
Building Repairing Expense	1,85,712		-	
Machinery Repairing Expenses	2,52,388		70,451	
		<u>4,38,100</u>		<u>70,451</u>
<b>Insurance</b>				
Insurance on Factory Building	2,81,802		-	
Insurance on Stock	45,150		1,05,848	
Insurance on Machinery	45,940	3,72,892	4,13,367	5,19,215
<b>Rates and Taxes</b>				
VAT Reversal Expenses	-		198	
		<u>-</u>		<u>198</u>
<b>Others</b>		<u>22,05,428</u>		<u>12,98,241</u>
<b>Total</b>		<u><u>9,04,61,831</u></u>		<u><u>2,96,12,158</u></u>
<b>Note 21: Employee Benefit Expenses</b>				
<b>Factory Employees</b>				
Insurance on Workers	86,664		61,233	
Contribution to Employee Provident Fund	4,27,956		2,33,993	
Wages Expenses (General)	45,03,230		23,08,583	
Wages Expenses (Operators)	-		24,64,700	
Wages Expenses (R&D Staff)	-		11,51,400	
Wages Expenses (Supervisors)	-		20,69,500	
Wages to Workers	2,50,38,250		-	
Worker Training Expenses	-		33,600	
		<u>3,00,56,100</u>		<u>83,23,009</u>
<b>Administrative Employees</b>				
Bonus	9,43,683		-	
Director Remuneration	21,60,000		-	
Salary to Office Staff	59,87,915		24,72,261	
		<u>90,91,598</u>		<u>24,72,261</u>
<b>Total</b>		<u><u>3,91,47,698</u></u>		<u><u>1,07,95,270</u></u>



## Akshar Spintex Private Limited

### Notes Annexed to and Forming Part of Financial Statements as at 31st March, 2016

Particulars	31st March 2016		31st March, 2015	
	Amount in ₹	Amount in ₹	Amount in ₹	Amount in ₹
<b>Note 22: Depreciation &amp; Amortization</b>				
<b>Depreciation (As per Note: 8)</b>		3,57,96,283		1,26,32,129
<b>Amortization Expenditure</b>				
Preliminary Expense Written Off	1,98,344		1,98,344	
		1,98,344		1,98,344
<b>Total</b>		<u>3,59,94,627</u>		<u>1,28,30,473</u>
<b>Note 23: Finance Costs</b>				
<b>Interest Cost</b>				
Interest on Unsecured Loan Deposit	85,63,655		49,52,870	
Interest on TCS	2,802		1,218	
Interest on TDS	2,523		4,139	
Interest on Term Loan	4,79,76,387		2,13,34,306	
Interest on Vehicle Loan	79,405		55,515	
Interest on Working Capital	61,04,219		17,99,806	
		<u>6,27,28,991</u>		<u>2,81,47,854</u>
<b>Other Financial Costs</b>				
Bank Charges	1,09,351		49,851	
Bank Guarantee Charges	1,64,191		3,37,749	
Bank Processing Charges	2,94,551		2,26,500	
		5,68,093		6,14,100
<b>Total</b>		<u>6,32,97,084</u>		<u>2,87,61,954</u>
<b>Note 24: Other Expenses</b>				
<b>Administrative Expenditure</b>				
<b>Auditor Remuneration:</b>				
As an Auditor	81,900		91,854	
For Company Matters	3,600		3,600	
<b>Others</b>				
Association Expenses	35,480		780	
Computer Repairing Expenses	32,500		735	
Cotton Testing Expenses	-		3,038	
Courier Expenses	26,609		17,687	
Bad Debt Write Off	9,20,000		-	
Electric Repairing Expenses	24,713		12,685	
E-Payment Charge Expenses	1,857		-	
EPCG Licence Fees	26,256		-	
Instrument Repairing Expenses	15,500		-	
Insurance on Vehicle	14,394		24,382	
Internet Expenses	1,49,123		50,562	
Interview Expense	3,000		-	
Kasar	6,242		-	
Lab Testing Expenses	26,837		9,865	
Legal Fees	1,50,100		6,000	
License Fees	40,000		10,000	
Medical Expenses	-		11,800	
News Paper Expenses	5,920		-	
Office Expenses	1,28,341		88,196	
Office Rent	3,60,000		1,80,000	
Professional fees	2,87,304		4,26,855	
Quality Material Premium Expenses	-		84,716	



## Akshar Spintex Private Limited

### Notes Annexed to and Forming Part of Financial Statements as at 31st March, 2016

Particulars	31st March 2016		31st March, 2015	
	Amount in ₹	Amount in ₹	Amount in ₹	Amount in ₹
ROC Expenses	6,600		-	
Security Service Expenses	17,12,066		8,54,841	
Stamp Paper Expense	500		-	
Stationery & Printing Expenses	1,43,955		63,371	
Stock Audit Fees	32,041		-	
Telephone & Mobile Expenses	89,988		43,301	
Travelling Expenses	15,542		53,410	
Vehicle Expenses	3,53,367		2,14,214	
Vehicle Rent Expenses	2,69,328		1,58,592	
Vehicle Repairing Expenses	39,405		23,793	
Web Design Expenses	26,000		6,000	
Worker Insurance Claim Expense	68,687		-	
		50,97,154		24,40,277
<b>Selling Expenditure</b>				
Brokerage	8,46,970		77,329	
Cash Discount	21,25,622		4,80,810	
		29,72,592		5,58,139
<b>Total</b>		80,69,747		29,98,416
<b>Note 25: Exceptional Items</b>				
Machinery Damage Claim			3,16,950	
				3,16,950
<b>Total</b>				3,16,950
<b>Note 26: Earnings per Equity Share</b>				
Net Profit After Tax		22,77,776		(84,83,837)
Equity Shares Outstanding		2,40,00,000		2,00,10,000
No. of Equity Shares Outstanding after Dilution		2,40,00,000		2,00,10,000
Basic EPS		0.09		(0.42)
Diluted EPS		0.09		(0.42)



## Akshar Spintex Private Limited

### Note 8: Tangible & Intangible Assets and Capital Work in Progress

Particulars	Gross Block				Depreciation			Net Block		
	As on 01.04.2015	Additions	Deductions/ Adjustments	Total as on 31.03.2016	As on 01.04.2015	Depreciation for the Year	Deductions/ Adjustments	Total as on 31.03.2016	As on 31.03.2016	As on 31.03.2015
	Amount in ₹									
<b>Tangible Assets</b>										
<b>Land and Building</b>										
Factory Land	63,59,610	-	-	63,59,610	-	-	-	-	63,59,610	63,59,610
Factory Building	9,76,30,204	16,23,605	-	9,92,53,809	12,88,615	31,39,660	-	44,28,275	9,48,25,534	9,63,41,589
<b>Plant and Machinery</b>										
Submersible Motor	31,278	-	-	31,278	841	1,985	-	2,826	28,452	30,437
Plant and Machinery	42,71,28,969	8,00,76,742	7,16,800	50,64,88,911	1,05,96,273	3,05,54,410	-	4,11,50,683	46,53,38,228	41,65,32,696
Lab Instruments	1,04,53,888	-	-	1,04,53,888	4,21,736	9,95,840	-	14,17,576	90,36,312	1,00,32,152
<b>Furniture and Fixtures</b>										
Office Furniture	16,18,063	24,735	-	16,42,798	34,024	1,55,583	-	1,89,607	14,53,191	15,84,039
<b>Vehicles</b>										
Vehicle Bolero	6,45,969	-	-	6,45,969	43,424	1,02,537	-	1,45,961	5,00,008	6,02,545
Vehicle Crane	3,52,840	-	-	3,52,840	9,485	22,396	-	31,881	3,20,959	3,43,355
Vehicle Suzuki Access	53,597	-	-	53,597	2,162	5,106	-	7,268	46,329	51,435
Maruti Swift Desire	7,29,930	-	-	7,29,930	49,068	1,15,864	-	1,64,932	5,64,998	6,80,862
<b>Office Equipments</b>										
Computer System	11,62,998	66,810	-	12,29,808	97,625	3,78,048	-	4,75,673	7,54,135	10,65,373
CC TV Camera	1,79,716	17,600	-	1,97,316	14,500	36,268	-	50,768	1,46,548	1,65,216
Computer Software	24,000	-	-	24,000	3,228	7,622	-	10,850	13,150	20,772
<b>Others</b>										
Mobile Instrument	7,200	53,500	-	60,700	581	8,640	-	9,221	51,479	6,619
Electric Fitting	23,98,008	15,61,519	-	39,59,527	67,080	2,47,627	-	3,14,707	36,44,820	23,30,928
Factory Equipment	1,92,776	2,26,569	-	4,19,345	3,487	24,697	-	28,184	3,91,161	1,89,289
<b>Sub-Total</b>	54,89,69,046	8,36,51,080	7,16,800	63,19,03,326	1,26,32,129	3,57,96,283	-	4,84,28,412	58,34,74,914	53,63,36,917
<b>Total Tangible Assets</b>	54,89,69,046	8,36,51,080	7,16,800	63,19,03,326	1,26,32,129	3,57,96,283	-	4,84,28,412	58,34,74,914	53,63,36,917
<b>Previous Year</b>	75,16,744	54,14,52,302	-	54,89,69,046	-	1,26,32,129	-	1,26,32,129	53,63,36,917	75,16,744



## Akshar Spintex Private Limited

### Notes Annexed to and Forming Part of Financial Statements as at 31st March, 2016

Particulars	31st March 2016		31st March, 2015	
	Amount in ₹	Amount in ₹	Amount in ₹	Amount in ₹
<b>Group : Long-term Borrowings from Related Parties &amp; Others</b>				
Ashokbhai Shukanbhai Bhalala HUF	26,21,528		22,55,187	
Abhishek M. Patel	1,59,354		17,10,856	
Chetnaben Ashokbhai Bhalala	8,32,876		7,16,487	
Harikrishna S. Chauhan	3,20,005		16,821	
Harikrishna S. Chauhan - HUF	19,726		16,710	
Jaipaben Paresbhai Bhalala	12,69,925		21,89,332	
Kantaben V. Gadhiya	19,38,682		16,67,764	
Manubhai Jivrajbhai Gajera	4,21,784		11,25,883	
Narmadaben S. Chauhan	5,35,048		29,959	
Nayan Vallabhbbhai Gadhiya	11,63,453		10,00,868	
Nipaben Vikasbhai Sorathia	23,78,760		45,52,730	
Paresbhai Babulal Jethva	5,80,838		69,350	
Paresbhai Sukanbhai Bhalala	20,97,673		35,86,859	
Paresbhai Sukanbhai Bhalala HUF	83,762		72,057	
Pooja Amitbhai Gadhiya	16,19,291		13,93,006	
Pravinbhai Girdharlal Gohil	5,74,852		64,201	
Pravinbhai Sukanbhai Bhalala	9,36,036		21,69,188	
Pravinbhai Sukanbhai Bhalala HUF	3,10,034		2,66,709	
Sarojben Pravinbhai Bhalala	1,09,677		12,38,911	
Shukanbhai V. Bhalala HUF	17,32,781		15,86,016	
Sonal Prakashkumar Sorathia	7,69,963	2,04,76,048	33,63,754	2,90,92,648
<b>Total</b>		<b>2,04,76,048</b>		<b>2,90,92,648</b>

#### Group : Sundry Creditors for Goods/Services

Akshay Enterprise	8,694	-
Anay Plastics	1,98,079	-
Bajrang Trading Co.	9,000	-
Dhruvin Enterprise	-	1,34,22,432
Gen-X Polypack	8,064	18,510
Gita Packaging	5,57,520	-
Hirpara Pipe Agency	3,319	3,047
Hi-Tech Paper Industries	16,840	-
Jatan Industries	35,547	-
Jay Ambe Enterprise	-	1,03,740
Jay Dwarkadhish Ginning & Oil Industries	31,39,360	-
Kaival Industries	-	27,102
Kalawad Transport	-	17,164
Khodal Cotton Processing Pvt. Ltd.	13,61,244	-
Maa Paper Converters Industries	-	7,94,640
Ollo Paper Cone Products	2,12,058	99,225
Perfect Paper Cones	1,07,163	-
Pooja Cotton Industries	47,69,512	47,90,712
R.K. Enterprise -Rajkot	1,386	-
Rajendra Industries	17,010	-
Ram Enterprise	3,572	-
Shree Ganesh Cotton Industries	-	15,36,929
Shree Paper Products	3,37,365	-
Standard Merchandise	20,340	20,340
Supreme Plastics	2,037	15,110
Suryoday Cotex Pvt. Ltd.	-	59,37,744





## Akshar Spintex Private Limited

### Notes Annexed to and Forming Part of Financial Statements as at 31st March, 2016

Particulars	31st March 2016		31st March, 2015	
	Amount in ₹	Amount in ₹	Amount in ₹	Amount in ₹
United Packaging Industries	33,332		-	
		1,08,41,442		2,67,86,695
<b>Total</b>		<b><u>1,08,41,442</u></b>		<b><u>2,67,86,695</u></b>

#### Group : Creditors for Expenses

Ahmedabad Textile Industries Research Association	1,707		-	
Bajrang Petroleum	16,331		-	
Bhalala Jeegnaben	-		27,185	
Bhalala Kapil Mavjibhai	-		41,881	
Bharatkumar Dodia	-		36,692	
Dharti Stationery & Zerox	12,599		5,062	
Dhaval Vaghasiya	-		21,800	
Dineshbhai P. Viradiya	-		96,755	
Dosti Road Carriers	-		30,927	
H. B. Kalaria & Associates	-		14,384	
Hotel Stay Inn	23,492		67,084	
Indrapal Singh	-		63,310	
Jariya Suppliers	3,800		16,154	
Kirit Electric & Lighting Zone	680		7,754	
Mahendra Sharma	-		33,531	
Manish V. Sojitra	29,250		-	
Maruti Roadways	348		-	
Om Sai Tours & Travels	20,925		-	
Priyank R. Raiyani	1,17,000		-	
Protect System	750		-	
Rabindrakumar Rana	-		28,667	
Raj Computer & Graphics	650		-	
Rajendrakumar Sharma	-		24,607	
Rasiklal Nathabhai Dengada	-		1,10,187	
Rekhaben H. Chauhan	1,80,000		-	
Rohan J. Shah - HUF	-		60,854	
Santoshkumar Das	-		20,801	
Shree Nathji Transport	40,000		-	
Sonalben P. Sorathia	1,80,000		-	
V. S. Vegi	-		20,470	
Vaibhav Rane	-		76,214	
Vodafone	6,050		6,548	
		6,33,582		8,10,868
<b>Total</b>		<b><u>6,33,582</u></b>		<b><u>8,10,868</u></b>

#### Group : Other Payables/Advances

<b>Statutory Liabilities</b>				
Professional Tax	4,94,330		1,22,930	
TCS Payable	-		11,268	
TDS (194 A)	8,55,937		4,95,646	
TDS (194 C)	6,944		20,198	
TDS (194 H)	74,182		7,733	
TDS (194 J)	16,250		26,000	
TDS on Salary	1,09,803		32,219	



# Akshar Spintex Private Limited

## Notes Annexed to and Forming Part of Financial Statements as at 31st March, 2016

Particulars	31st March 2016		31st March, 2015	
	Amount in ₹	Amount in ₹	Amount in ₹	Amount in ₹
<b>Creditors for Asset</b>				
AB Carter India Pvt. Ltd.	4,390		17,937	
AB Reiniger Industries Pvt. Ltd.	6,143		-	
Acro Enterprise	3,738		-	
Agro Trading Co.	4,453		16,834	
Air Tech Systems	41,903		-	
Anjani Traders	2,640		7,770	
APCO Agencies	17,990		18,505	
Ashutosh Power Traslbelts Ltd.	4,738		-	
B.Tech India	41,157		-	
Bipinchandra & Bros.	-		7,438	
C. Gheewala & Co.	28,303		2,06,641	
Deep Pneumatics Pvt. Ltd.	1,30,979		56,958	
Devi Electronics	-		72,585	
Devi Technologies	-		40,000	
Dhiraj Engineering Stores	1,062		4,940	
Draft Air Pvt. Ltd. - Ahmedabad	-		6,143	
Draft Air Pvt. Ltd. - Installation	-		5,506	
Electro care System	1,050		37,375	
Frasso Engineering Works	-		9,66,800	
G & G Corporation	-		40,003	
H2O Scientific	6,326		3,676	
HR Engineers	49,140		-	
Ideal Sheet Metal Stamping & Pressing Pvt. Ltd.	-		1,529	
Jay Ambe Trans Line	-		20,200	
Mag Solvics Pvt. Ltd.	8,790		-	
Max Furniture	7,475		7,475	
Millstores Corporation	19,611		-	
N. K. Fadia & Co.	1,675		-	
Navdip Industries	3,378		-	
Navkar Belting	14,037		-	
Neo Tech Control Systems	3,468		6,284	
Network Electronics	178		-	
Nilkamal Ltd.	-		1,982	
Parshva Engineering Company	34,166		2,678	
Poojan Power Products	290		-	
R.K. Enterprise -Ahmedabad	1,628		-	
R.M. Enterprise	27,835		-	
Rekto Electric	-		86,799	
Rieter India Pvt. Ltd.	-		1,75,95,203	
S. R. Engineering & Consultants	-		12,299	
Shanti Gears Ltd.	-		4,772	
Shiv Enterprise	9,845		-	
Shree Digvijay Cement Co. Ltd.	-		88,400	
Shree Technologies	4,500		1,01,646	
Shreeji Sales	-		35,664	
Sieger Spintech Equipment Pvt. Ltd.	25,876		25,876	
Truetzschler India Pvt. Ltd.	6,735		-	
Unique international Consulatncy Services	-		10,831	
Vashi Electricals Pvt. Ltd.	4,967		-	
Vishnu Glass Galary	-		33,431	
Westland Marketing	-		27,300	



# Akshar Spintex Private Limited

## Notes Annexed to and Forming Part of Financial Statements as at 31st March, 2016

Particulars	31st March 2016		31st March, 2015	
	Amount in ₹	Amount in ₹	Amount in ₹	Amount in ₹
<b>Creditors for Brokerage</b>				
Aagam Rakeshbhai Shah HUF	1,07,947		-	
Harsha J. Shah	24,225		-	
Navinchandra B. Shah HUF	3,23,516		-	
Vasupujya Textile	62,158		-	
<b>Directors Remuneration Payable</b>				
Amitbhai V. Gadhiya	4,56,310		-	
Ashokbhai S. Bhalala	2,40,000		-	
Prakashkumar R. Sorathia	4,56,310		-	
Rajdeepbhai M. Patel	4,56,310		-	
Rekhaben H. Chauhan	4,56,310		-	
<b>Advances from Customer</b>				
Tricot Impex Pvt. Ltd.	35,350		-	
		<u>46,94,348</u>		<u>2,02,87,475</u>
<b>Total</b>		<u><b>46,94,348</b></u>		<u><b>2,02,87,475</b></u>
<b>Group : Sale of Products</b>				
Sales Against Form H	11,65,93,841		-	
Sales VAT 4%	46,75,08,930		15,19,78,466	
		<u>58,41,02,770</u>		<u>15,19,78,466</u>
<b>Total</b>		<u><b>58,41,02,770</b></u>		<u><b>15,19,78,466</b></u>
<b>Group : Other Manufacturing Expenses</b>				
Factory Expense	1,73,517		99,099	
Factory Cleaning Expense	44,314		8,500	
Packing Jobwork Expense	-		6,18,268	
Transportation Expense	16,73,972		2,91,154	
Water Charges Expense	3,13,625		2,81,220	
		<u>22,05,428</u>		<u>12,98,241</u>
<b>Total</b>		<u><b>22,05,428</b></u>		<u><b>12,98,241</b></u>



# Akshar Spintex Private Limited

## Notes Annexed to and Forming Part of Financial Statements as at 31st March, 2016

### Corporate Information

Company is engaged in Manufacturing and Trading of spun cotton yarn

### Note 27: Significant Accounting Policies & Accompanying Notes

#### 1 Basis of Accounting

These financial statements are prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Certain items of income and expenses and asset valuation are recognized for the purpose of financial statement in different time periods than for tax purposes.

These financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) [(Companies Accounting Standards) Rules, 2006, as amended] and the other relevant provisions of the Companies Act, 2013.

#### 2 Use of Estimates

The preparation of financial statements requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expense during the year. Example of such estimates include provision for doubtful receivables, employee benefits, provision for income taxes, accounting for contract costs expected to be incurred, the useful lives of depreciable fixed assets and provision for impairment.

#### 3 Fixed Assets

##### Tangibles

All fixed assets are stated at cost of acquisition, less accumulated depreciation and includes adjustment arising from exchange rate variations attributable to fixed assets. In the case of fixed assets acquired for new projects / expansion certain direct expenses incurred upto the date of completion of project are capitalised and expenditure for maintenance and repairs are charged to the Profit and Loss Account, when assets are sold or discarded their cost and accumulated depreciation are removed from the accounts and any gain or loss resulting from their disposal is included in the Profit & Loss Account. When fixed assets are revalued any surplus on revaluation is credited to the revaluation reserve account.

#### 4 Depreciation/Amortization

##### Tangibles

Depreciation on Fixed assets is provided on SLM Method over the lives and in the manner specified in Schedule II to the Companies Act, 2013, read with the relevant circulars issued by the Department of Corporate Affairs from time to time. Depreciation on the assets added/disposed off during the year has been provided on pro rata basis with reference to the month of addition/disposal.

Useful Life of Assets has been assumed as under:

Particulars	Life in Years
Buildings:	30
Plant & Machinery (Single Shift)	15
Furniture & Fittings:	10
Motor Vehicles:	6
Office Equipment:	5
Computers and Data Processing Equipment:	3
Lab Equipment:	10
Electrical Equipment & Installations:	10
Software:	3

#### 5 Impairment of Assets

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset is less than its carrying amount then asset is treated as impaired. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. No asset of the company impaired during the year.



# Akshar Spintex Private Limited

## Notes Annexed to and Forming Part of Financial Statements as at 31st March, 2016

### 6 Investments

Investments that are readily realisable and intended to be held but not more than a year are classified as current investments. All other investments are classified as long term investments. Long term investments are stated at cost, except where there is a diminution in value (other than temporary), in which case the carrying value is reduced to recognise the decline. Current investments are carried at lower of cost and fair value, computed separately in respect of each category of investment.

### 7 Inventories

Raw materials, stores, spares, tools & packing material is valued at cost or net realizable value whichever is less. Work in process & finished goods are valued at cost or market value whichever is less.

### 8 Employee Benefits

#### Provident Fund - Defined Contribution Plan

Contribution as required by the Statute made to the Government Provident Fund is debited to Profit & Loss Account.

#### Gratuity - Defined Benefit Plan

The Company does not have a defined gratuity plan for the benefit of the employees.

### 9 Provisions and Contingencies

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

### 10 Revenue Recognition

- (i) Incomes and Expenditure are generally accounted on accrual, as they are earned or incurred.
- (ii) Sales are recognized upon delivery of products and are net of trade discounts and sales tax.
- (iii) Revenue in respect of Other Income is recognized when no significant uncertainty as to its determination of realization exists.

### 11 Foreign Currency Transactions

Foreign currency transactions are accounted at the exchange rate prevailing on the date of transactions. Gains or losses resulting from the settlement of such transaction and from the translation of monetary assets and liabilities denominated in foreign currency are recognised in the Statement of Profit and Loss. In cases where they relate to acquisition of fixed assets, they are adjusted to the carrying cost of such assets.

### 12 Taxes on Income

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions.

Deferred tax is recognised for some/all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets on unabsorbed depreciation/carried forward losses is recognised to the extent of deferred tax liability. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the Company re-assesses unrecognised deferred tax assets, if any.

### 13 Prior Period Items, Exceptional & Extra Ordinary Items

The company follows the practice of making adjustments through 'prior year adjustments' in respect of all material transactions pertaining to the period prior to the current accounting year.

Exceptional and Extra Ordinary Items are shown separately as per applicable accounting standards.

### 14 Earnings per Share

The Company reports basic Earning per Share (EPS) in accordance with Accounting Standard 20 on Earning per Share. Basic EPS is computed by dividing the net profit or loss for the year by weighted average number of equity shares outstanding during the year.



## Akshar Spintex Private Limited

### Notes Annexed to and Forming Part of Financial Statements as at 31st March, 2016

#### 15 Related Party Transactions (in Rs. Lacs)

Particulars	Subsidiaries		Controlling Companies/Others		Key Management Personnel		Total	
	CY	PY	CY	PY	CY	PY	CY	PY
Sales	-	-	1,356.90	1,329.58	-	-	1,356.90	1,329.58
Deposit Interest	-	-	-	-	84.57	16.10	84.57	16.10
Director Remuneration	-	-	-	-	21.60	-	21.60	-
Rent Paid	-	-	-	-	3.60	-	3.60	-

The list of Related Parties as defined u/s 2(76) of the Companies Act, 2013 is as under:

#### **Holding Companies**

Nil

#### **Subsidiary Companies/Step down subsidiaries/Controlled Entities/Associates**

Nil

#### **Other Related Parties Where Common Control Exists**

A. Patel Alloys

Tricot Impex Pvt Ltd

#### **Key Management Personnel and their Relatives**

Amitbhai V. Gadhiya -Director

Ashokbhai S. Bhalala -Director

Prakahkumar R. Sorathia -Director

Rajdeep Mansukhbhai Patel -Director

Rekhaben Harikrishna Chauhan -Director

Ashokbhai Shukanbhai Bhalala HUF

Abhishek M. Patel

Chetnaben Ashokbhai Bhalala

Harikrishna S. Chauhan HUF

Harikrishna S. Chauhan

Jalpaben Pareshbhai Bhalala

Kantaben V. Gadhiya

Manubhai Jivrajbhai Gajera

Narmadaben S. Chauhan

Nayan Vallabhbhai Gadhiya

Nipaben Vikasbhai Sorathiya

Pareshbhai Babulal Jethva

Pareshbhai Sukanbhai Bhalala HUF

Pareshbhai Sukanbhai Bhalala

Pooja Amitbhai Gadhiya

Pravinaben Girdharlal Gohel

Pravinbhai Sukanbhai Bhalala HUF

Pravinbhai Sukanbhai Bhalala

Sarojben Pravinbhai Bhalala

Shukanbhai V. Bhalala HUF

Sonal Prakashkumar Sorathia

#### 16 Cash and Cash Equivalents

In the cash flow statement, cash and cash equivalents includes cash in hand, demand deposits with banks, other short term highly liquid investments with original maturities of three months or less.

#### 17 Contingent Liabilities

Claims against the Company not acknowledged as debt:	Nil
Guarantees issued to Government Authorities and Limited Companies including guarantees issued on behalf of subsidiaries and performance guarantees.	Nil
Others:	Nil
Appeals filed in respect of disputed demands:	Nil



## Akshar Spintex Private Limited

### Notes Annexed to and Forming Part of Financial Statements as at 31st March, 2016

**18 Particulars of Loans given, investments made or guarantees given or acquisitions u/s 186 of the Act**

Party Name	Nature of Transaction	CY (in Rs. Lacs)	PY (in Rs. Lacs)	Purpose
Nil				

**19 Deferred Tax Liability/Assets**

As per the Applicable Accounting Standards and Rules, the deferred tax/liability consists of:

Particulars	CY (in Rs.)	PY (in Rs.)
<b>Deferred Tax Liabilities on Account of Timing Differences:</b>		
Opening Balance	79,67,510	-
<b>(Deferred Tax Assets) on Account of Timing Differences:</b>		
Deferred Tax Liabilities Created During the year	1,46,31,718	79,67,510
<b>Net</b>	<b>2,25,99,228</b>	<b>79,67,510</b>

20 The previous year's figures may have been regrouped, rearranged, reworked or reclassified wherever necessary.

As Per Our Separate Report Of Even Date

For, H. B. Kalaria & Associates,  
Chartered Accountants

  
(Hasmukh B. Kalaria)  
Partner  
M. No. 042002  
PAN: AAHFH8868A  
Place: Rajkot  
Date: 9th April, 2016



For & On Behalf of the Board of Directors  
Akshar Spintex Private Limited

  
Director

  
Director

Place: Haripar  
Date: 9th April, 2016