

C.J.PATEL & CO.

Chartered Accountants

The Patel Saw Mill Compound, Near Railway Over Bridge, Chhani, Vadodara- 391740

INDEPENDENT AUDITORS' REPORT

TO THE SHARE HOLDERS'

ADVANCE SYNTEX LIMITED (Earlier Known As Advance Syntex Pvt. Ltd.)

REPORT ON THE FINACIAL STATEMENTS

We have audited the accompanying financial statements of Advance Syntex Ltd. ("the company")(Earlier it was Advance Syntex Private Limited) which comprise the Balance Sheet as at March 31st, 2016, the Profit and Loss Statement for the period ended on 31st March, 2016, Cash Flow for the period end on 31st March, 2016 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 true & fair view of the financial position, financial performance of the Company in accordance with the accounting principles generally accepted in India including the accounting standards specified under section 133 of the Act, read with rule 7 of the companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effective 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

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

We have taken into account the provision of the Act, the accounting and auditing standards and matter 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 required 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 misstatements.

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 financial control relevant to the Company's preparation of the financial statement that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the 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 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.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENT;

As required by the Companies (Auditor Report) Order 2015 ("the Order"), issued by the Central Government of India in terms of sub section (11) of Section 143 of the act, we give in the Annexure A - a statement on the matter specified in paragraph 3 and 4 of the order.

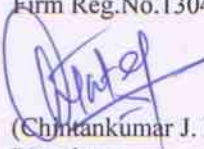
We report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes 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, Profit and Loss Statement and Cash Flow 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 specified under Section 133 of the Act, read Rule 7 of the Companies (Accounts) Rules, 2014;
- e) On the basis of the written representations received from the directors as on March 31st, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31st, 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 - B and
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note (vii) (c) to the financial statements
 - ii. The Company did not have any long-term contracts including derivative contract for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Date: 06/09/2016
Place: Vadodara



For, C. J. Patel & Co.,
Chartered Accountants
Firm Reg.No.130418W


(Chintankumar J. Patel)
Proprietor.
Membership No.134028

ADVANCE SYNTEX LIMITED (Earlier Known As Advance Syntex Private Limited)

ANNEXURE A to the Auditor's Report

CARO 2015 Report on the financial statement of ADVANCE SYNTEX LIMITED (Earlier Known as Advance Syntex Private Limited) for the period ended March 31st , 2016.

To Members of Advance Syntex Limited. (Earlier Known as Advance Syntex Private Limited)

On the basis of records produced before us for our verification/ examination as we considered appropriate and in terms of information and explanations given to us for our enquiries, we state that;

i. In respect of its fixed assets:

- a) The Company has maintained proper records showing full particulars including quantitative details and situation of the fixed assets on the basis of available information.
- b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the company and nature of its assets. As informed to us, no material discrepancies were noticed on such physical verification.
- c) As explained to us, no substantial part of fixed assets has been disposed off during the year, and it has not affected the going concern.
- d) In the opinion of the Management fixed assets should be clubbed into a single group for the assets which are having useful life as prescribed in the Schedule II to the Companies Act, 2013. Accordingly they have clubbed the same based on useful life.

ii. In respect of its inventories:

- a) The inventories have been physically verified during the year by the management.
- b) According to the information and explanation given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
- c) On the basis of our examination of the records of Inventories, we are of the opinion that the company has maintained proper records of inventories. As per the information and explanation given to us, no material discrepancies were noticed on physical verification.

iii. In respect of the loans, secured or unsecured, granted by the company to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.

- a) The Company has not granted loan to firms and other parties covered in the register maintained under section 189 of the Companies Act, 2013. Hence no reporting is given on this clause.
- b) According to the sub clause a) above applicability of all other terms and conditions for such loans and about prejudicial to the interest of the company, reporting since not required not given.
- c) The Company has taken loan under section 189 of companies act, 2013 & it's repayable on demand.
- d) According to the information and explanations given to us all other terms and conditions for such loans are not prima facie prejudicial to the interest of the company.



ADVANCE SYNTEX LIMITED (Earlier Known As Advance Syntex Private Limited)

iv. In respect of internal control.

In our opinion and according to the information and explanation given to us, the Company has an adequate internal control system commensurate with its size and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit we have not observed any continuing failure to correct major weaknesses in such internal control system.

v. In respect of deposits from public

According to the information and explanation given to us, the Company has not accepted any deposit from the public. Therefore the provisions of Clause (v) of paragraph 3 of the CARO 2015 are not applicable to the Company.

vi. In respect of maintenance of cost records

In pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the central Government under Section 148 (1) of the Companies Act, 2013., is not applicable to the company.

vii. In respect of statutory dues:

- a) According to the records of the Company, undisputed statutory dues including Employees' State Insurance, Sales Tax, Wealth Tax, Duty of Customs, Duty of Excise, Value Added Tax, Income Tax, Service Tax, Provident Fund and Professional Tax, Cess and other material statutory dues have been generally regularly deposited with appropriate authorities.
- b) According to the information and explanation given to us, no undisputed statutory dues including Employees' State Insurance, Sales Tax, Wealth Tax, Duty of Customs, Duty of Excise, Value Added Tax, Income Tax, Service Tax, Provident Fund and Professional Tax, Cess and other material statutory dues were outstanding as at December 30, 2015 for a period more than six months from the date of becoming payable.
- c) The disputed Statutory dues are as listed below;

<i>Related To</i>	<i>Authority Where Case is Pending</i>	<i>Financial Year</i>	<i>Disputed Amount Rs.</i>	<i>Remarks</i>
VAT	Sales Tax Appellate Tribunal, Ahmedabad	2009-10	588,725	Input credit claimed is disallowed in proportion. It is explained that in 1 st appeal the order shall be in favor of applicant. The Company had paid under protest Rs.205,000/-.
CST	Sales Tax Appellate Tribunal, Ahmedabad	2009-10	359,779	Input credit claimed is disallowed in proportion. It is explained that in 1 st appeal the order shall be in favor of applicant. The Company had paid under protest Rs.40,000/-.
VAT	Dy. Comm. Of Commercial Tax, Vadodara	2010-11	562,575	Input credit claimed is disallowed during assessment due to Input used in manufacturing and sales of exempted goods. The Company has paid under protest Rs. 35000/-.
CST	Dy. Comm. Of Commercial Tax, Vadodara	2010-11	3,053,188	Input credit claimed is disallowed during assessment due to Input used in manufacturing and sales of exempted goods. The Company has paid under protest Rs. 200000/-.
Against above demand of FY 2009-10, the Company had provided bank guarantee of Rs.390662/.				



ADVANCE SYNTEX LIMITED (Earlier Known As Advance Syntex Private Limited)

viii. In respect of accumulated losses and cash losses.

The company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the financial year and in the immediately preceding financial year.

ix. In respect of dues to financial institution /banks/debentures

According to the information and explanations given to us and as per the books and records examined by us, the Company has not defaulted in repayment of dues to financial institutions or bank.

x. In respect of Loans and advances granted on the basis of security.

According to information and explanations given to us the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

xi. In respect of application of Term loans.

The Company has raised loans during the year from the banks and financial institutions. According to information and explanation given to us the company has applied such loan fund for purpose for which the loan was obtained.

xii. In respect of Fraud

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 on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

For, C J Patel & Co.,
Chartered Accountants
FRNo.130418W



(Chintan Kumar J Patel)
Proprietor
Membership No.134028
Place: Vadodara
Date: 06/09/2016



Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of "ADVANCE SYNTEX LIMITED" "the Company" as of 31st March, 2016 in conjunction with our audit of the financial statements of for the period ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 31 December 2015, 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, C J Patel & Co.,
Chartered Accountants
FRNo.130418W



(Chintankumar J Patel)
Proprietor
Membership No.134028
Place: Vadodara
Date: 06/09/2016