




# Advance Syntex Ltd.

## Annual Report 2017 -2018



Manufacturer and Exporter

  
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Brilliance







Advance Syntex Limited - Annual Report 2017-18

## Advance Syntex Limited

(Earlier known as Advance Syntex Private Limited)

**CIN: L17119GJ1990PLC014406**

**Regd. Office:** 233/2 & 238/2, GIDC, Por Ramangamdi, Vadodara, Gujarat – 391243

Telephone: (0265) 2652831, Tel. Fax: (0265) 2831848

E-mail: [midas1002003@hotmail.com](mailto:midas1002003@hotmail.com)

Website: [www.midasglitter.com](http://www.midasglitter.com)

### Board of Directors:

Mr. Bhavan Dharendra Vora	-	Managing Director
Mrs. Darshana Devang Vora	-	Whole Time Director
Mr. Sanjeev Manikchand Rakhecha	-	Non Executive Independent Director
Mr. Rajesh Asalraj Jain	-	Non Executive Independent Director
Mr. Himesh Ochhavlal Shah	-	Non Executive Independent Director
Mr. Nandishkumar Vinodray Gandhi	-	Non Executive Director
Mr. Bhasker Pranjivanbhai Parekh	-	Non Executive Director
Mr. Praful Ramanlal Pandya	-	Non Executive Director

### Company Secretary

-	Mr. Biraj Pancholi (From 23 <sup>rd</sup> February, 2017 to 10 <sup>th</sup> March, 2018)
	Ms. Shrinali Patel (From 10 <sup>th</sup> March, 2018)

### Statutory Auditors

-	V.J. Amin & Co. Chartered Accountants 506, Gayatri Chambers, R.C. Dutt Road, Alkapuri, Vadodara – 390007.
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### Registrar of Share Transfer Agent

-	Sharex Dynamic (India) Private Limited Unit - 1, Luthra Industrial Premises, Safed Pool, Andheri Kurla Road, Andheri (East), Mumbai - 400 072. Tel. No.: +91 – 22 - 2851 5606 / 44 Fax No.: +91 - 22 - 2851 2885 Website: <a href="http://www.sharexindia.com">www.sharexindia.com</a>
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Table of Content	Page No.
Message from Managing Director	2-3
Notice of AGM	4-9
Board's Report	10-40
Independent Auditor's Report	41-47
Balance Sheet	48
Statement of Profit & Loss	49
Cash Flow Statement	50-51
Notes to Accounts	52-66
Attendance Slip	67
Proxy Form & map	68-69





**Message from Managing Director:**

Dear Shareholders,

I am delighted to share with you the events and developments of your Company during the course of the financial year 2017-18. The overall performance of your Company has witnessed a healthy growth in profits. The financial year 2017-18 was also very noteworthy from Company specific perspective as during this year Company initiated the process of Preferential Issue of approx. Rs. 5 crore. I would like to place on record my heartfelt thanks to all the investors for showing trust and confidence in the Company and its management.

Though the year gone by has witnessed heavy fluctuations in the economic scenario with the introduction of GST in the Indian Economic system, your Company's performance improved marginally in terms of total revenue as well as profit after tax, registering continuous growth by 30.47% and 68%, respectively. Your company has also seen rise in the exports thereby increasing the scope of business in the international markets as well.

Your Company has taken a challenge to achieve a new milestone in terms of production. For achieving this milestone, a constant and gradual expansion is planned in phases. Another Vacuum Metalizing Plant is added at POR GIDC of the same Specification and manufacturer supplier, M/S Bobbst Ltd, UK. Expanding this plant lead to increase capacity of 200 MT per month, thereby increasing the gross capacity to 500 MT per month. This addition will contribute to increase in revenue nearly by Rs. 2.50 Crores per month and annual increase upto Rs. 30 Crores at the current rates.

Our march towards new heights of success did not stop. The production of small packages for supplying to the retail markets of USA has started and dispatches have commenced from April, 2018. The Factory Premises for small packaging has been approved by SGS SMETA Audit. Negotiations are in process with three to four large retail chain stores in USA as well as India.

Your Company has been honored with many prestigious awards during the year.

- In the Month of July – 2017, the Managing Director has also been honored with **“BEST ENTREPRENEUR”** award by Franchisee India.
- On 17<sup>th</sup> November, 2017, your company was selected as **“Dun & Bradstreet – RBL Bank SME Business Excellence Awards 2017”** Award Winner in the SME segment for Excellence in the Textiles sector.
- Your Company has been selected as one of the Top performing MSME unit by **India SME Forum**, one of the three national MSME organisations in the Advisory Committee of the Ministry of MSME of Government of India, in Association with AXIS Bank and is awarded **“INDIA SME 100 AWARDS”**. The company received the award in the presence of Chief Guests Shri. Giriraj Singh, Hon'ble Minister of State for MSME, Govt. of India & Shri. Kalraj Mishra, Chairperson, Joint Committee on Offices of Profit for Scoring in the TOP 100 on the basis of overall evaluation of financial & Non-Financial Parameters amongst 33102 nominations.

The journey ahead is full of opportunities as well as challenges and your Company is open to grab the opportunity in the best interest of your Company and to face all the challenges emanating from the market.



***Advance Syntex Limited - Annual Report 2017-18***

To conclude, we had a good year. We remain encouraged and confident of achieving our long term objectives of inclusive, sustainable and profitable growth. As we look ahead, I feel confident of strong growth in the medium to long term. I am confident that our disciplined strategy, prudent approach, focus on agile execution and our committed team will enable us to improve performance further and create greater shareholder value.

Again I would like to express my gratitude to all our stakeholders for their continuing faith in the Company. I express my heartfelt thanks to all employees, bankers, customers, suppliers, Govt. authorities etc., for their continuous support.

With Best Regards.....

Sincerely  
Bhavan Vora  
Managing Director



**NOTICE OF 28<sup>TH</sup> ANNUAL GENERAL MEETING**

**NOTICE** is hereby given that the **28<sup>TH</sup> ANNUAL GENERAL MEETING** of the Members of M/s. Advance Syntex Limited is scheduled to be held on Wednesday, 26<sup>th</sup> September, 2018 at 2.00 P.M. at Plot No. 137, 1<sup>st</sup> Floor, GIDC Industrial Estate, Por-Ramangamdi, Dist. Vadodara – 391243, to transact the following business.

**Ordinary Business:**

- 1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2018, together with the reports of the Board of Director and Auditors thereon and in this regards pass the following resolution as Ordinary Resolution:**

**“RESOLVED THAT** the audited financial statement of the Company for the financial year ended March 31, 2018 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted.”

- 2. To appoint a Director in place of Mr. Nandishkumar Vinodray Gandhi (DIN 00284688) who retires by rotation and being eligible, offers himself for re-appointment and in this regards pass the following resolution as Ordinary Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Nandishkumar Vinodray Gandhi (DIN 00284688), who retires by rotation at this meeting be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

- 3. To appoint a Director in place of Mr. Praful Ramanlal Pandya (DIN 03381212) who retires by rotation and being eligible, offers himself for re-appointment and in this regards pass the following resolution as Ordinary Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Praful Ramanlal Pandya (DIN 03381212), who retires by rotation at this meeting be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

- 4. Reappointment of Statutory Auditors.**

To consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 139 , 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit & Auditors) Rules, 2014 including any amendment, modification, or variation thereof, the Company hereby make the Reappointment of M/s. V J Amin & Co., Chartered Accountants (FRN 100335W) as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the next Annual General Meeting of the Company to be held in the year 2019, to examine and audit the accounts of the Company, at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors.”



**Date: 27-08-2018**  
**Place: Vadodara**

**For and On Behalf of the Board,**

**Bhavan Vora**  
**Managing Director**  
**DIN: 01613974**

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.  
  
A person can act as a proxy on behalf of members, not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company, carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or Shareholder.
2. Corporate members intending to send their authorized representatives to attend the Meeting pursuant to section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the Board Resolution together with Specimen signatures of those representative(s) authorised under said resolution to attend and vote on their behalf at the Meeting.
3. Brief resume of Directors including that proposed to be appointed / re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Regulation 36(3) Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulation 2015 with the Stock Exchange, is provided separately.
4. Explanatory statement under Section 102 of the Companies Act, 2013 in respect special business is annexed hereto.
5. Members are requested to:
  - (a) bring their copy of the Annual Report and Attendance Slip with them at the Annual General Meeting.
  - (b) quote their Regd. Folio Number/DP and Client ID Nos. in all their correspondence with the Company or its Registrar and Share Transfer Agent.
6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.



**Advance Syntex Limited - Annual Report 2017-18**

7. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, the 20th September, 2018 to Friday, the 26th September, 2018 (both days inclusive) for the purpose of Annual General Meeting.
8. Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice may request the Company at email id: [cs@midasglitter.com](mailto:cs@midasglitter.com), for availing copy of this Annual Report.
9. Annual Report and AGM Notice is available at the website of the Company at [www.midasglitter.com](http://www.midasglitter.com).
10. Relevant documents referred to in the accompanying Notice and the Explanatory Statement is kept open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.
11. Members desirous of obtaining any information in respect of Accounts of the Company are requested to send their queries in writing to the company at its Registered Office so as to reach at least seven days before the date of the meeting.
12. The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or to the Registrar and Share Transfer Agent.
13. SEBI has also mandated that for registration of transfer of securities, the transferee(s) as well as transferor(s) shall furnish a copy of their PAN card to the Company for registration of transfer of securities.
14. The Notice of the AGM along with the Annual Report 2017-18 is being sent to all those Members, whose names appear on the Register of Members / list of Beneficial Owners as received from National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL) as at close of business hours on 31st August, 2018. The Notice of the AGM along with the Annual Report 2017-18 is being sent in electronic mode to all those members whose e-mail addresses are registered with the Company / Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
15. Members, desiring any information relating to the accounts, are requested to write to the Company at an early date so as to enable the management to keep the information ready.

<b>Contact Details:</b>	
<b>Company</b> Advance Syntex Limited Regd. Office: 233/2 & 238/2, GIDC, Por Ramangamdi, Vadodara, Gujarat – 391243 Telephone: (0265) 2831850, Tel. Fax : (0265) 2831848 E-mail: <a href="mailto:midas1002003@hotmail.com">midas1002003@hotmail.com</a> Website: <a href="http://www.midasglitter.com">www.midasglitter.com</a>	<b>Registrar of Share Transfer Agent</b> SHAREX DYNAMIC (INDIA) PRIVATE LIMITED Unit-1, Luthra Industrial Premises, Safed Pool, Andheri Kurla Road, Andheri(East) Mumbai- 400072 Tel. No.: +91 – 22 - 2851 5606 / 44 Fax No.: +91 - 22 - 2851 2885 Website: <a href="http://www.sharexindia.com">www.sharexindia.com</a>





**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("the Act"):**

**Item No.4:**

This explanatory statement is provided though strictly not required as per Section 102 of the Act.

M/s. V. J. Amin & Co., Chartered Accountants (FRN 100335W), were appointed as the Auditors of the Company at the Annual General Meeting (AGM) of the Company held on September 29<sup>th</sup>, 2017 for a term of one year to hold office till the conclusion of this AGM.

Subject to the approval of members, the Audit Committee and the Board of Directors have recommended Reappointment of M/s. V. J. Amin & Co., as Statutory Auditor of the Company for period of one year, from the conclusion of this AGM till the conclusion of the AGM to be held in the calendar year 2019. They have consented to their appointment as Statutory Auditors and have confirmed that if appointed, their appointment will be in accordance with Section 139 read with Section 141 of the Act.

The Board commends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the Members.

None of the Directors or Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested in the said Resolution.

**Date: 27-08-2018**

**Place: Vadodara**

**For and On Behalf of the Board,**

**Bhavan Vora  
Managing Director  
DIN: 01613974**



**Details of Director Seeking Appointment / Re-Appointment at the Annual General Meeting  
(Pursuant to SEBI (LODR) Regulation, 2015 and SS-2 on General Meeting)**

<b>Mr. NANDISHKUMAR VINODRAY GANDHI</b>	
DIN	<b>00284688</b>
Date of Birth	<b>17/09/1950</b>
Age (in years)	68 years
Date of Appointment	15th December, 2010
Qualifications	Bachelors of Engineering(Metallurgical)
Expertise in specific functional areas	He possesses wide experience in the field of Engineering and has played vital advisory role in engineering and structural designing of our Manufacturing Facilities.
Directorships held in other public companies /Private Companies	H B ENGINEERS PRIVATE LIMITED
Memberships / Chairmanships of committees of other public companies	Nil
Number of shares held in the Company	46575
Terms and conditions of appointment	Re-appointment as the Non-Executive Director, liable to retire by rotation.
Remuneration sought to be paid	Nil
Remuneration last drawn	Nil
Relationship with other Directors	The appointee director is Father of Mrs. Darshana Vora, Whole time Director of the Company.
Number of Meetings of the Board attended during the Year	9



<b>Mr. PRAFUL RAMANLAL PANDYA</b>	
DIN	<b>03381212</b>
Date of Birth	21/07/1969
Age (in years)	48 years
Date of Appointment	15 <sup>th</sup> December, 2010
Qualifications	Senior Secondary
Expertise in specific functional areas	He possesses 15 years of experience in the field of Marketing.
Directorships held in other public companies	Nil
Memberships / Chairmanships of committees of other public companies	Nil
Number of shares held in the Company	8642
Terms and conditions of appointment	Re-appointment as the Non-Executive Director, liable to retire by rotation.
Remuneration sought to be paid	Nil
Remuneration last drawn	Nil
Relationship with other Directors	The appointee director is not related to any other directors of the Company and/or KMP.
Number of Meetings of the Board attended during the Year	4

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**Board's Report**

To  
The Members,  
**Advance Syntex Limited**

Your Board of Director's is pleased to present the 28<sup>th</sup> Annual Report and the Company's Audited Financial Statements for the financial year ended March 31, 2018.

**1. Financial Results:**

(Amt. In Rs.)

Particulars	Year ended 31.03.2018	Year ended 31.03.2017
Revenue from Operations	71,35,81,658	54,61,23,767
Other Income	14,78,068	19,35,847
<b>Total Revenue</b>	<b>71,50,59,727</b>	<b>54,80,59,614</b>
<b>Profit before Finance Cost, Depreciation and Tax</b>	<b>9,87,85,256</b>	<b>7,36,53,658</b>
Less: Finance Cost	5,12,20,794	3,96,21,473
Less: Depreciation	2,25,23,278	1,72,38,860
<b>Profit before Prior Period Items and Tax</b>	<b>2,50,41,184</b>	<b>1,67,93,325</b>
Exceptional Items (Expense)	--	--
Prior Period Items (Expense)	--	--
Misc. Exp. Written Off	(8,12,376)	(8,12,336)
<b>Profit before Tax</b>	<b>2,42,28,808</b>	<b>1,59,80,989</b>
Tax Expense:		
(a) Current tax	44,38,510	61,33,870
(b) Deferred Tax	19,21,136	(7,89,777)
<b>Profit for the Year</b>	<b>1,78,69,162</b>	<b>1,06,36,895</b>

**2. Dividend:**

The Company does not propose Dividend for Financial Year 2017-18.

**3. Transfer to Reserves:**

The Company does not propose to transfer any sum to the General Reserve of the Company.

**4. Financial Performance:**

During the financial year 2017- 2018,

- Total revenue increased to Rs. 7150.60 Lakhs, a growth of around 30.47% against Rs. 5480.60 Lakhs in the previous year.
- Profit before finance Cost, depreciation and tax reached to Rs. 987.85 Lakhs as against Rs. 736.54 Lakhs of the previous year, registering growth of 34.12%.
- Profit after providing for depreciation, finance cost, tax, and prior period and exceptional Items Arrived at Rs.178.69 Lakhs as against Rs. 106.37 Lakhs in the previous year.



**Achievements:**

- The Company has been awarded during this year, “**INDIA SME 100 AWARDS**” for scoring in the TOP 100 for the overall evaluation of financial & Non-Financial Parameters amongst 33102 nominations.
- On 17<sup>th</sup> November, 2017, your company was selected as “**Dun & Bradstreet – RBL Bank SME Business Excellence Awards 2017**” Award Winner in the SME segment for Excellence in the Textiles sector.
- In the Month of July – 2017, the Managing Director has also been honored with “**BEST ENTREPRENEUR**” award by Franchisee India.

The Company has been putting its best endeavors to continue to stabilize its quality of the Products manufactured and to bring efficiency, at all the level of operations, by minimizing operational cost, to the extent possible.

**5. Future Prospect:**

***Business Expansion***

- Your Company has successfully developed Glitter Glue and the trial results are received in India and are awaited from foreign countries. This will add a feather to cap of achievements and will ultimately lead to addition in your Company’s Revenue.
- The Board is in serious planning to expand a new field of production of containers for export to Retail customers of USA and others for captive consumption of sales in International Markets.
- Your Company is also planning to manufacture Angelina Fibers and to market it globally..
- Your Company is first in India to produce Glitter powder with all composite inhouse Facilities viz Metalizing, Coating, Epoxy Resin etc to maintain International Quality Standards.

**6. Transfer of unclaimed dividend to investor education and protection fund:**

No amount has become due for transfer of Unclaimed Dividend to Investor Education and Protection Fund, in terms of the provisions of Section 125 of the Companies Act, 2013.

**7. Change in the Nature of Business:**

During the year under review, there was no change in the nature of the business of the Company.

**8. Significant and Material Orders Passed by the Regulators or Courts:**

No significant material orders have been passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company and its future operations.

**9. Public Deposits:**

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public, was outstanding as on the date of the balance sheet.

**10. Subsidiary Companies:**

During the year under review, the Company does not have any subsidiary company.

**11. Adequacy of Internal Financial Controls :**

Refer Sub-Clause (F) of Clause 26 “Management Discussion and Analysis”



**12. Particulars of Loans, Guarantees or Investments :**

During the year under review, your Company has not directly or indirectly -

- a) given any loan to any person or other body corporate other than usual advances envisaged in a contract of supply of materials, if any;
- b) given any guarantee or provided security in connection with a loan to any other body corporate or person; and
- c) Acquired by way of subscription, purchase or otherwise, the securities of any other body corporate.

**13. Particulars of Contracts or Arrangements with Related Parties:**

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of Company's business. The Company has not entered into any contract, arrangement or transaction with any related party which could be considered as material as defined under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Related party transactions under Accounting Standard – AS 18 are disclosed in the notes to the financial statements. Prescribed Form No. AOC-2 pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014 is furnished as Annexure – B to this report.

**14. Share Capital:**

The paid up equity share capital of the company as on March 31, 2018 was Rs. 910.19 Lakhs. During the year under review, No changes occurred in the Share capital.

The company has not issued shares with differential voting rights nor granted stock options nor sweat equity during the year.

**Note:- The Changes have been occurred between the financial year ended on March 31, 2018 and the report dated 27<sup>th</sup> August 18, 2018.**

- **Company has issued 19,95,250 No. of Equity Shares on Preferential basis at Rs. 25 each (including Premium Rs. 15 per Share)**
- **Authorised Share Capital of Company increased from Rs. 9,25,00,000/- to Rs.1,15,00,00,00/-.**
- **Paid up Share Capital of Company Increased from Rs. 9,10,18,590/- to Rs. 11,09,71,090/- .**

**15. Directors' Responsibility Statement:**

Pursuant to section 134(5) of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability, confirm that:

- a. in the preparation of annual accounts for the year ended 31<sup>st</sup> March , 2018, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- b. they have selected such accounting policies and applied them consistently and made judgments 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 March 31, 2018 and of the profit of the Company for the year ended on that date;





- c. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. they have prepared the annual accounts on a 'going concern' basis ;
- e. they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f. They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

**16. Declaration by Independent Directors:**

The Company has received necessary declarations from all Independent Directors of the Company confirming that they meet the criteria of being Independent laid down in Section 149(6) of the Companies Act. There has been no change in the circumstances which may affect their status as Independent Director during the year.

**17. Policy on Directors' Appointment and Remuneration and other details:**

The Nomination and Remuneration Committee has laid down the criteria for director's appointment and remuneration including criteria for determining qualification, positive attributes and independence of a Director. The following attributes/criteria for selection have been laid by the Board on the recommendation of the Committee:

- the candidate should possess the positive attributes such as leadership, entrepreneurship, business advisor or such other attributes which in the opinion of the Committee are in the interest of the Company;
- the candidate should be free from any disqualification as provided under Sections 164 and 167 of the Companies Act, 2013;
- the candidate should meet the conditions of being independent as stipulated under the Companies Act, 2013 and Listing Agreement entered into with Stock Exchanges, in case of appointment as an independent director; and
- the candidate should possess appropriate educational qualification, skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, corporate governance,

**18. Board of Directors and Key Managerial Personnel:**

- During the year under review, there was no change in the Board of Directors of the Company.

- Ms. Shrinali Patel has been appointed as the Company Secretary w.e.f. 10<sup>th</sup> March, 2018 in place of Mr. Biraj Pancholi, who served resignation and ceased his position w.e.f. 10<sup>th</sup> March, 2018.

- Mr. Farhad Wasanwal, the CFO of the company resigned from his position w.e.f 31<sup>st</sup> July, 2017 in place of whom Mr. Bhavan Vora was appointed w.e.f 4<sup>th</sup> September, 2017.

**19. Board Evaluation:**

The Board of Directors has carried out an annual evaluation of its own performance, Board committees and Individual Directors pursuant to the provisions of the Act.



The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of the criteria such as the Board composition and structure, effectiveness of Board processes, information and functioning, etc. The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members on the basis of the criteria such as the composition of Committees, attendance, prior study of materials given, participation at the meetings, level and effectiveness of Committee meetings, etc.

**20. Number of Meetings of the Board:**

During the year under review, 09 (Nine) Meetings of the Board of Directors, were held as against the minimum requirement of 04(Four) Board Meetings. The Details of Board Meetings held during the year are as Follow:

Date	Board Strength	No. of Directors Present
5 <sup>th</sup> May, 2017	8	7
8 <sup>th</sup> May, 2017	8	4
30 <sup>th</sup> May, 2017	8	8
18 <sup>th</sup> July, 2017	8	5
04 <sup>th</sup> September, 2017	8	8
14 <sup>th</sup> November, 2017	8	8
24 <sup>th</sup> January, 2018	8	5
27 <sup>th</sup> February, 2018	8	4
10 <sup>th</sup> March, 2018	8	6

**21. Extract of Annual Return:**

The details forming part of the extract of the Annual Return in form MGT 9 has been given in the Annexure-A appended hereto and forms part of this report.

**22. Audit Committee:**

The Company has formed the Audit Committee in compliance of provisions of the Section 177 of the Companies Act, 2013 and also to comply with Regulation 18 of SEBI Listing Regulations, 2015. The constituted Audit Committee comprises following members:

Name of the Director	Status in Committee	Nature of Directorship
Mr. Sanjeev Manickchand Rakhecha	Chairman	Non Executive-Independent Director
Mr. Himesh Ochhlal Shah	Member	Non Executive-Independent Director
Mr. Bhavan Dharendra Vora	Member	Managing Director

The Role of Audit Committee together with its powers as Part C of Schedule II of SEBI Listing Regulation, 2015 and Companies Act, 2013 shall be as under:

1. Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval;
5. Reviewing, with the management, the half yearly financial statements before submission to the board for approval, with particular reference to;



- Matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - Changes, if any, in accounting policies and practices and reasons for the same;
  - major accounting entries involving estimates based on the exercise of judgment by management
  - significant adjustments made in the financial statements arising out of audit findings;
  - compliance with listing and other legal requirements relating to financial statements;
  - disclosure of any related party transactions;
  - modified opinion(s) in the draft audit report;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
  7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
  8. Approval or any subsequent modification of transactions of the listed entity with related parties;
  9. Scrutiny of inter-corporate loans and investments;
  10. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
  11. Evaluation of internal financial controls and risk management systems;
  12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
  13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
  14. Discussion with internal auditors of any significant findings and follow up there on;
  15. The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the company.
  16. Discussing with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
  17. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
  18. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
  19. The Audit Committee shall have authority to investigate into any matter in relation to the items specified in section 177(4) of Companies Act 2013 or referred to it by the Board.
  20. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
  21. To review the functioning of the whistle blower mechanism;





22. Approving the appointment of the Chief Financial Officer (i.e. the whole time finance director or any other person heading the finance function) after assessing the qualifications, experience and background, etc., of the candidate; and;
23. Audit committee shall oversee the vigil mechanism.
24. Audit Committee will facilitate KMP/auditor(s) of the Company to be heard in its meetings.
25. Carrying out any other function as is mentioned in the terms of reference of the audit committee or containing into SEBI Listing Regulations 2015.

Further, the Audit Committee shall mandatorily review the following:

- a) Management discussion and analysis of financial condition and results of operations;
- b) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d) Internal audit reports relating to internal control weaknesses; and
- e) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- f) Statement of deviations:
  - Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

### 23. Nomination & Remuneration Committee:

The Company has formed the Nomination and Remuneration Committee in compliance of provisions of the Section 178 of the Companies Act, 2013 and as per Regulation 19 of SEBI Listing Regulation, 2015. The Nomination and Remuneration Committee comprises the following:

Name of the Director	Status in Committee	Nature of Directorship
Mr. Himesh Ochhavlal Shah	Chairman w.e.f 4 <sup>th</sup> September, 2017	Non Executive-Independent Director
Mr. Sanjeev Manickchand Rakhecha	Chairman Upto 3 <sup>rd</sup> September, 2017	Non Executive-Independent Director
	Member , w.e.f 4 <sup>th</sup> September, 2017	
Mr. Himesh Ochhavlal Shah	Member	Non Executive-Independent Director
Mr. Rajesh Asalraj Jain	Member	Non Executive-Independent Director

#### **Note:**

**Mr. Sanjeev Manickchand Rakhecha ceased to be Chairman of the Committee w.e.f 4<sup>th</sup> September, 2017. He is Continue as Member of Committee.**

**Mr. Himesh Ochhavlal Shah was appointed as Chairman of the Committee w.e.f. 4<sup>th</sup> September, 2017.**

The terms of reference of the Nomination and Remuneration Committee are as under:

1. Identify persons who are qualified to become directors and may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance;



2. Formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration for directors, KMPs and other employees;
3. Formulation of criteria for evaluation of performance of independent directors and the board of directors;
4. Devising a policy on diversity of board of directors;
5. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
6. Determine our Company's policy on specific remuneration package for the Managing Director / Executive Director including pension rights;
7. Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors;
8. Define and implement the Performance Linked Incentive Scheme (including ESOP of the Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that purpose.
9. Decide the amount of Commission payable to the Whole time Directors;
10. Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines etc; and
11. To formulate and administer the Employee Stock Option Scheme.

**24. Stakeholders Relationship Committee:**

The Company has formed the Stakeholders Relationship Committee in compliance of provisions of the Section 178 of the Companies Act, 2013 and as per Regulation 20 of SEBI Listing Regulation, 2015. The constituted Stakeholders Relationship Committee comprises the following:

Name of the Director	Status in Committee	Nature of Directorship
Mr. Himesh Ochhavlal Shah	Member	Non Executive-Independent Director
Mr. Rajesh Asalraj Jain	Member	Non Executive-Independent Director
Mr. Bhavan Dharendra Vora	Member	Managing Director

The terms of reference of the Stakeholders Relationship Committee are as under:

- Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the space at back for recording transfers have been fully utilized.
- Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.;
- Review the process and mechanism of redressal of Shareholders' /Investor's grievance and suggest measures of improving the system of redressal of Shareholders' /Investors' grievances.
- Non-receipt of share certificate(s), non-receipt of declared dividends, non-receipt of interest/dividend warrants, non-receipt of annual report and any other grievance/complaints with Company or any officer of the Company arising out in discharge of his duties.
- Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved them.
- Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the



Securities & Exchange Board of India (Prohibition of insider Trading) Regulations, 2015 as amended from time to time.

- Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting, and
- Carrying out any other function contained in the equity listing agreements as and when amended from time to time.

**25. Material Changes and Commitments, if any, affecting the Financial position of the Company which have occurred between the end of Financial Year of the Company to which the Financial Statement relate and the date of the Report:**

There were following material changes and commitments that have affected the financial position of the Company which have occurred between the financial year ended on March 31, 2018 and the report dated 27<sup>th</sup> August 18, 2018.

- 1) Company has allotted 19,95,250 No. of Equity Shares on Preferential basis at Rs. 25 each (including Premium Rs. 15 per Share) on 5th April, 2018.**
- 2) Authorised Share Capital of Company increased from Rs. 9,25,00,000/- to Rs. 1,15,00,00,00/-.**
- 3) Paid up Share Capital of Company Increased from Rs. 9,10,18,590/- to Rs. 11,09,71,090/- .**

**26. Management Discussion and Analysis:**

In terms of the provisions of Regulation 34 of the SEBI (Listing Obligations and Disclosures Requirements) Regulation 2015, the Management Discussion and Analysis has been given hereunder.

**OUR COMPETITIVE STRENGTHS**

We believe that the following are our primary competitive strength:

**(i) Facility for In-house production of raw materials required in manufacturing of Lacquered (Coated) Metalized Polyester Film (LMPF):**

Your Company has in-house facility for production of raw materials required to manufacture Lacquered (Coated) Metalized Polyester Film (LMPF). The major raw materials required to produce LMPF are Metalized Polyester Film and resins, which are produced in house by us. This enables us to maintain high quality production standards and also helps us in minimizing production time and bringing cost effectiveness.

**(ii) Quality Products:**

The Company believes in providing our customers the best possible quality products. The scale of operations and experience of our Promoter in the business enables our Company to produce quality products. The Company believes that quality products enable it to compete with the other players in the market. The Company also believes that the investment in technology shall allow it to provide quality products to its customers and differentiate it from other competitors. Since, our Company is dedicated towards quality products, processes and inputs; Company gets repetitive orders from our clients, as we are capable of meeting their quality standards.

**(iii) Management Expertise:**

Mr. Bhavan Dharendra Vora – Managing Director, is engaged in manufacturing business, and has a proven background and rich experience of more than 20 years in our industry. Also, our Company is managed by a team of experienced personnel. The team comprises of personnel having operational and business development experience. We believe that our



management team's experience and their understanding of our industry will enable us to continue to take advantage of both current and future market opportunities. It is also expected to help us in addressing and mitigating various risks inherent in our business, including significant competition, the global economic crisis.

**(iv) Existing customer relationship:**

We believe that we constantly try to address customer needs around a variety of products. Our existing customer relationships help us to get repeat business from our customers. This has helped us maintain a long term working relationship with our customers and improve our customer retention strategy. We have existing customer relationship with companies for a long time which gets us repeat orders. We believe that our existing relationship with our customers represents a competitive advantage in gaining new customers and increasing our business.

**(v) Existing relationship with suppliers:**

We have acquired raw materials from several suppliers and have contacts with them for a long time. We believe that our strong relationships with suppliers will enable us to continue to grow our business. Due to our long time relationships with our suppliers, we get quality and timely supplies of raw materials. This enables us to manage our inventories and supply quality products on timely basis to our customers. This in turn has enabled us to generate repeat business.

**B. OUR BUSINESS STRATEGY: -**

We intend to pursue the following principal strategies to leverage our competitive strengths and grow our business:

**(i) Increasing Operational efficiency**

Our Company intends to improve operating efficiencies to achieve cost reductions so to have a competitive edge over the competitors. We believe that this can be done through continuous process improvement, customer service and technology development.

**(ii) Maintain and expand long-term relationships with clients.**

Our Company believes that business is a by-product of relationship. The business model is based on client relationships that are established over period of time. Our Company believes that a long-term client relationship with large clients fetches better dividends. Long-term relations are built on trust and continuous maintaining of the requirements of the customers. It forms basis of further expansion for our Company, as we are able to monitor a potential product/ market closely.

**(iii) Leveraging of our marketing skills and relationships**

This is a continuous process in our organization and the skills we impart in our people gives importance to clients. We aim to do this by leveraging our marketing skills & relationships and further enhancing customer satisfaction. We plan to increase our customers by meeting orders in hand on time, maintaining our client relationship and renewing our relationship with existing buyers.

**(iv) Continue to build-up a professional organization**

We have a team of professionals to look after production, commercial and marketing divisions of our Company. We believe in transparency, flow of information, and commitment to the work among our work force and with our valuable customers, suppliers, investors, government authorities, banks, financial institutions etc. Over a period of time,



we have been able to build-up an image that can be matched with our competitors. We will consistently put efforts among its group of experienced employees to transform them into an outstanding team of empowered professionals which helps in further accelerating the wheels of development of the Organization.

**(v) Optimal Utilization of Resources:-**

Our Company constantly endeavors to improve our service process, and will increase manufacturing process to optimize the utilization of resources. We have invested significant resources, and intend to further invest in our activities to develop customized systems and processes to ensure effective management control. We regularly analyze our existing policies to be carried out for operations of our Company which enables us to identify the areas of bottlenecks and correct the same. This helps us in improving efficiency and putting resources to optimal use.

**(vi) Sales and Marketing:**

The efficiency of the marketing and sales network is important success factor of our Company. Our success lies in the strength of our relationship with our customers who have been associated with our Company for a long period. Our marketing team along with our promoter through their experience and good rapport with customers owing to timely and quality delivery of service plays an instrumental role in creating and expanding the sales network of our Company. In order to maintain good relation with our customers, our promoter and our marketing team regularly interacts with them and focuses on gaining an insight into the additional needs of our customers. Our prime consideration for customer selection is timely payments and consistency in purchases. Due to our presence across multiple segments, we have been able to maintain sufficient volumes and margins in our business. The Company's marketing strategy is poised towards maintaining a mutually fruitful relationship with its customers by continuous servicing and product refinement. Further, we intend to focus on increasing our Geographical reach by entering new markets and appointment of dealers and agents in developing markets.

**C. Competition:**

Our Industry is fragmented consisting of large established players and small niche players. We face substantial competition for our products from other manufacturers in domestic market. Our competition varies for our products and regions. We compete with other manufacturers on the basis of product range, product quality, product designing and product price including factors, based on reputation, regional needs, and customer convenience. While these factors are key parameters in client's decisions matrix in purchasing goods; product designing, product range, product quality and product price is often the deciding factor in most of the dealings.

**D. Opportunities and Threats:**

Your Company operates in such an area where a large market exists but with huge competition. Your Company's products are well-received in the market. However, the Company has been through different marketing initiatives carving its way with moderate success.

**E. Risks and concerns:**

**Macro-economic risks:** Risks emanating from changes in the global markets such as the recent financial meltdown, regulatory or political changes, and alterations in the competitive landscape could affect the Company's operations and outlook. Any adverse





movements in economic cycles in the Company's target markets could have a negative impact on the Company's performance. This risk is mitigated to some extent due to the Company's presence in multiple, diverse markets.

*Risk related of Raw Materials:* Risks associated with key procurement relationships include:

- a. the availability of raw materials, more particularly LMPF are Metalized Polyester Film and resins.
- b. the price of raw materials may be subject to material changes in worldwide pricing levels;
- c. input costs such as freight and electricity may be inconsistent or prices may increase; and
- d. key supplier relationships may be lost or impaired, contracts renewed on less favorable terms or key suppliers may cease or reduce their operations.
- e. Changes in technology;
- f. Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- g. Loss of one or more significant customers
- h. Exchange rate fluctuations;

However, the Company plans well in advance to procure the raw materials and purchases its Raw Materials from the domestic reputed supplier located in different parts of the country to mitigate risk relating to availability of raw materials.

**F. Internal Control System and their Adequacy:**

The Company has adequate internal control systems including suitable monitoring procedures commensurate with its size and the nature of the business. The internal control systems provide for all documented policies, guidelines, authorisation and approval procedures. The Company has appointed internal auditor who carries out audits throughout the year. The statutory auditors while conducting the statutory audit, review and evaluate the internal controls and their observations are discussed with the Audit committee of the Board.

The Company's internal control systems are supplemented by an Internal Audit Program and periodic reviews by the Management. The Company has Independent Audit Firm as its Internal Auditors and the Management reviews its findings and recommendations at periodic intervals. The Company's internal control system is adequate considering the nature, size and complexity of its business.

**G. Human Resources/Industrial Relations:**

Employees are our greatest strength and the foundation of our Company. They play a pivotal role in offering better product quality, design and services to our customer. We ensure that employees gain ample opportunities for personal and professional growth. High quality recruitment supports the talent management practices of the Company. To augment the journey of internationalization of the Company and create a multicultural work force, strengthening leadership cadre with appropriate domain competencies has been done. The Company continues to foster a high performance culture by recognizing good performers and providing them with career enhancing opportunities. Several HR initiatives have been taken for the strategic alignment of the HR function with the business objectives. These initiatives encompass employee engagement, learning & development besides improved internal communication mechanism with employees.



**H. Cautionary Statement:**

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be 'forward looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include financial position of the company, economic conditions affecting demand / supply, price conditions in the domestic and overseas market in which the company operates, changes in the government regulations, tax laws and other statutes.

**27. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings And Outgo:**

**Conservation of Energy:** The Company ensures that the operations are conducted in the manner whereby optimum utilization and maximum possible savings of energy is achieved. The Company has not made any capital investment for conservation of energy.

**Technology absorption:** Your Company has not taken new technology for absorption and hence it has neither imported any technology nor made any expenditure on research and developments. The Company does not carry out any research and development activities.

<b>Foreign Exchange earnings and outgo (Amt. in Rs.):</b>	<b>2017-18</b>	<b>2016-17</b>
Foreign Exchange earnings	6, 61,42,051	4,25,33,505
Foreign Exchange outgo	2, 33,57,421	1,26,51,388

**28. Corporate Social Responsibility (CSR):**

The provision relating to Corporate Social Responsibility as provided under Section 135 of the Companies Act, 2013 is not applicable to the Company.

**29. Corporate Governance:**

The Equity shares of the Company, being listed on the SME Platform of BSE Limited, in terms of Regulation 15(2) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the corporate governance provisions are not applicable to the Company. Hence report on corporate governance is not furnished. It is pertinent to mention that in spite of inapplicability, the Company follows certain provisions of corporate governance voluntarily.

**30. Safety, Environment and Health:**

The Company's commitment to excellence in Health and Safety is embedded in the Company's core values. The Company has a stringent policy which drives all employees to continuously break new ground in safety management for the benefit of people, property, environment and the communities where we operate on sites.

The Company respects human rights, values its employees and their communities. The Company considers safety, environment and health as the management responsibility. Regular employee training programmes are in place throughout the Company on Safety, Environment and Health and has well identified and widely covered safety management system in place for ensuring , not only the safety of employees but surrounding population of the project sites as well.

**31. Policy on Prevention, Prohibition and Redressal of Sexual Harassment at Workplace:**

The Company has zero tolerance for sexual harassment at the workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace, in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under. The Policy aims to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure. The Company has constituted an Internal



Committee headed by the Woman Director with other women employees, is also set up to redress complaints received which are monitored by women supervisors who are fully aware of the Policy and redressal mechanism. All employees of the Company, those of contractors as well as trainees are covered under this Policy. No complaint was received from any employee during the financial year 2017-2018 and hence no complaint is outstanding as on 31.03.2018 for redressal.

**32. Vigil Mechanism Policy:**

There is a Vigil Mechanism Policy in the Company and that no personnel have been denied access to the Chairman of the Audit Committee. The policy provides for adequate safeguards against victimization of persons who use vigil mechanism.

**33. Risk Management:**

Refer Sub-clause (E) in Clause 26 "Management Discussion and Analysis":

**34. Performance of Subsidiary / Joint Venture / Associates Companies:**

The Company does not have any Subsidiary, Joint Venture or Associates Company.

**35. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future:**

There is no order passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

**36. The details in respect of adequacy of internal financial controls with reference to the Financial Statements:**

The Company has adequate internal control systems in place and also has reasonable assurance on authorizing, recording and reporting transactions of its operations in all material respects and in providing protection and safeguard against misuse or loss of assets of the Company. The Company has in place, procedures covering financial and operational functions commensurate with the size and operations of the organization.

**37. Particulars of Employees:**

Pursuant to the Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, no employee was drawing remuneration in excess of the limits set out in the said rules and hence no information is provided in this regard.

**38. Auditors:**

**(i) Statutory Auditors:**

Pursuant to the provisions of Section 139 of the Act and the rules framed there under M/s. V. J. Amin & Co., Chartered Accountants (FRN 100335W), was appointed as Statutory Auditors for a period of one year, in the Annual General Meeting held on 29<sup>th</sup> September 2017.

Subject to the approval of shareholders at their Annual General Meeting ("AGM"), the Audit Committee and the Board of Directors have recommended appointment of M/s. V. J. Amin & Co., Chartered Accountants, Vadodara, as Statutory Auditor of the Company. M/s. V. J. Amin & Co., Chartered Accountants, Vadodara, if appointed at AGM, will be holding office of Statutory Auditors from the conclusion of this AGM till the conclusion of the AGM to be held in the calendar year 2019. The Company has received letter from them to the effect that their appointment, if made, would be within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified from appointment.

The Company has placed the matter of their appointment as Statutory Auditors of the Company for the approval of the members at this Annual General Meeting.



The Auditors' Report for the financial year ended March 31, 2018 does not contain any qualification, reservation, adverse remark or disclaimer.

**(ii) Secretarial Auditor:**

M/s. M H Dave & CO., Practicing Company Secretary was appointed as the Secretarial Auditor of the Company, to conduct Secretarial Audit for the financial year 2017-18. The Secretarial Audit Report is annexed as **Annexure C**.

**39. Stock Exchange:**

The shares of the Company are listed on the SME Platform of BSE Limited.

Address of Stock Exchange: BSE Limited (SME Segment), Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400 001.

Scrip ID: 'ASYL'; Scrip Code: 539982; Group: 'M'; ISIN: INE184U01012

**40. Acknowledgement:**

The Board places on record its deep appreciation for the continued support received from various clients, vendors and suppliers and Bankers, Government Authorities, employees at all levels and stakeholders, in furthering the interest of the Company.

**For and on behalf of the Board of Directors**

**Date: 27-08-2018**

**Place: Vadodara**

**Bhavan Vora  
Managing Director  
DIN 01613974**

**Darshana Vora  
Whole Time Director  
DIN 06718711**



**Annexure A to the Board's Report**

Form No. MGT-9

Extract of Annual Return

**AS ON THE FINANCIAL YEAR ENDED ON 31.03.2018**

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

**I. REGISTRATION AND OTHER DETAILS:**

(i)	CIN	L17119GJ1990PLC014406
(ii)	Registration Date	21-09-1990
(iii)	Name of the Company	ADVANCE SYNTEX LIMITED
(iv)	Category / Sub - category of the Company	Public Limited
(v)	Address of the Registered Office with Contact Details	233/2 & 238/2, G I D C, Por Ramangamdi, Vadodara, Gujarat, India - 391243
(vi)	Whether listed Company	Yes
(vii)	Name, Address and Contact details of Registrar and Transfer Agents if any	Sharex Dynamic (India) Private Limited Unit - 1, Luthra Industrial Premises, Safed Pool, Andheri Kurla Road, Andheri (East), Mumbai - 400 072. Tel. No.: +91 - 22 - 2851 5606 / 44 Fax No.: +91 - 22 - 2851 2885 Website: <a href="http://www.sharexindia.com">www.sharexindia.com</a>

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Manufacture of other made up textile goods except apparel n.e.c.	17219	99.65

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES: NA**

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
N.A					





IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Category of Shareholders	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 Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
(a) Individual/ HUF	6540198	-	6540198	<b>71.86</b>	6624698	-	6624698	72.78	0.92
(b) Central Govt	-	-	-	-	-	-	-	-	-
(c) State Govt(s)	-	-	-	-	-	-	-	-	-
(d) Bodies Corp.	-	-	-	-	-	-	-	-	-
(e) Banks / FI	-	-	-	-	-	-	-	-	-
(f) Any other	-	-	-	-	-	-	-	-	-
<b>Sub – Total (A) (1)</b>	6540198	-	6540198	<b>71.86</b>	6624698	-	6624698	<b>72.78</b>	<b>0.92</b>
<b>(2) Foreign</b>	-	-	-	-	-	-	-	-	-
(a). Individual NRI / For Ind	-	-	-	-	-	-	-	-	-
(b).Government	-	-	-	-	-	-	-	-	-
(c). Institutions	-	-	-	-	-	-	-	-	-
(d). Foreign Portfolio Investors	-	-	-	-	-	-	-	-	-
(e). Any Other Specify	-	-	-	-	-	-	-	-	-
<b>Sub Total (A) (2)</b>	-	-	-	-	-	-	-	-	-
<b>Total shareholding of Promoter (A) = A)(1)+A)(2)</b>	6540198	-	6540198	<b>71.86</b>	6624698	-	6624698	<b>72.78</b>	<b>0.92</b>
<b>B. Public Shareholding</b>	-	-	-	-	-	-	-	-	-
<b>1. Institutions</b>	-	-	-	-	-	-	-	-	-
(a) Mutual Funds	-	-	-	-	-	-	-	-	-
(b)Bank/FI									
(c)Central Govt									
(d) State Govt(s)									
(e).Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f) Insurance Companies									
(g) FIs									
(h). Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-



Advance Syntex Limited - Annual Report 2017-18

(i). Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>2. Non-Institutions</b>	-	-	-	-	-	-	-	-	-
<b>(a) Bodies Corp.</b>									
i) Indian	84216		84216	0.925	72750		72750	0.799	(0.126)
ii) Overseas									
<b>(b) Individuals</b>									
(i) Individual shareholders holding nominal share capital upto Rs.1lakh	376426		376426	4.136	572392		572392	6.289	2.153
(ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	1928019		1928019	21.183	1643269		1643269	18.054	(3.129)
<b>c) Others (specify)</b>									
Non Resident Indians	66000	-	66000	0.725	112000	-	112000	1.231	0.505
Clearing Members	107000		107000	1.176	76750		76750	0.843	(0.332)
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(2):-</b>	<b>2561661</b>		<b>2561661</b>	<b>28.14</b>	<b>2477161</b>	<b>-</b>	<b>2477161</b>	<b>27.22</b>	<b>(0.92)</b>
Total Public Shareholding (B)= B)(1)+(B)(2)	<b>2561661</b>		<b>2561661</b>	<b>28.14</b>	<b>2477161</b>	<b>-</b>	<b>2477161</b>	<b>27.22</b>	<b>(0.92)</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Grand Total (A+B+C)</b>	<b>9101859</b>		<b>9101859</b>	<b>100</b>	<b>9101859</b>		<b>9101859</b>	<b>100</b>	<b>-</b>



(ii) Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	
1.	Bhavan Dhirendra Vora	3688067	40.52%	-	3766817	41.385%	-	0.865%
2.	Devang Dhirendra Vora	1337461	14.694%	-	1337461	14.694%	-	0
3.	Darshana Devang Vora	1098928	12.074%	-	1098928	12.074%	-	0
4.	Kaushikaben Dhirendra Vora	134567	1.478%	-	140317	1.542%	-	0.064%
5.	Bhasker P Parekh	122475	1.346%	-	122475	1.346%	-	0
6.	Gandhi Nandish Vinodray	46575	0.512%	-	46575	0.512%	-	0
7.	Mahesh Vinubhai Gandhi	34500	0.379%	-	34500	0.379%	-	0
8.	Varshaben Nandishbhai	34500	0.379%	-	34500	0.379%	-	0
9.	Bhavna Bhaskerbhai Parekh	34500	0.379%	-	34500	0.379%	-	0
10	Zarna Nihar Turakhia	8625	0.095%	-	8625	0.095%	-	0

(iii) Change in Promoters' Shareholding:

Sl. No.	For Each of the Promoters	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company
1	<b>Bhavan Dhirendra Vora</b>				
	At the beginning of the year	3688067	40.52%		
	Increase (Purchase on 23.03.2018 )	21000		3709067	40.751%
	Increase (Purchase on 31.3.2018 )	57750		3766817	41.385%
	At the end of the year			<b>3766817</b>	<b>41.385%</b>
2	<b>Kaushikaben Dhirendra Vora</b>				
	At the beginning of the year	134567	1.478%		
	Increase (Purchase on 23.02.2018)	5750		140317	1.542%
	At the end of the year			<b>140317</b>	<b>1.542%</b>
3	<b>Devang Dhirendra Vora</b>				
	At the beginning of the year	1337461	14.69%		
	No Change				
	At the end of the year			<b>1337461</b>	<b>14.69%</b>
4	<b>Darshana Devang Vora</b>				
	At the beginning of the year	1098928	12.07%		
	No Change				
	At the end of the year			<b>1098928</b>	<b>12.07%</b>
5	<b>Nandish V Gandhi</b>				
	At the beginning of the year	46575	0.51%		



Advance Syntex Limited - Annual Report 2017-18

	No Change				
	At the end of the year			<b>46575</b>	<b>0.51%</b>
6	<b>Varsha N Gandhi</b>				
	At the beginning of the year	34500	0.38%		
	No Change				
	At the end of the year			<b>34500</b>	<b>0.38%</b>
7	<b>Mahesh Gandhi</b>				
	At the beginning of the year	34500	0.38%		
	No Change				
	At the end of the year			<b>34500</b>	<b>0.38%</b>
8	<b>Bhasker P Parekh</b>				
	At the beginning of the year	122475	1.35%		
	No Change				
	At the end of the year			<b>122475</b>	<b>1.35%</b>
9	<b>Bhavna B Parekh</b>				
	At the beginning of the year	34500	0.38%		
	No Change				
	At the end of the year			<b>34500</b>	<b>0.38%</b>
10	<b>Zarna Nihar Turakhia</b>				
	At the beginning of the year	8625	0.09%		
	No Change				
	At the end of the year			<b>8625</b>	<b>0.09%</b>

(iv) Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No.	For Each of top ten shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company
1	<b>PRATIK VINOD JAIN</b>				
	At the beginning of the year	132250	1.45%		
	No Change				
	At the end of the year			<b>132250</b>	<b>1.45%</b>
2	<b>SAHIL GUPTA</b>				
	At the beginning of the year	102000	1.121%		1.121%
	Increase(Purchase as on 09/06/2017)	5750			1.184%
	At the end of the year			<b>107750</b>	<b>1.184%</b>



3	<b>RITIK VINOD JAIN</b>				
	At the beginning of the year	92000	1.01%		
	No Change				
	At the end of the year			<b>92000</b>	<b>1.01%</b>
4	<b>AMIT BHANDARI</b>				
	At the beginning of the year	46000	0.505		
	Increase(Purchase as on 23/06/2017 )	11500		57500	0.632
	Increase(Purchase as on 10/11/2017)	5750		63250	0.695
	At the end of the year			<b>63250</b>	<b>0.695</b>
5	<b>HEMA SURESHKUMAR KOTHARI</b>				
	At the beginning of the year	11517	0.127		
	Decrease( sell as on 21/04/2017)	-11500		17	0
	Increase(Purchase as on 19/05/2017)	11500		11517	0.127
	Increase(Purchase as on 28/07/2017)	23000		34517	0.379
	Increase(Purchase as on 03/11/2017)	23000		57517	0.632
	At the end of the year			<b>57517</b>	<b>0.632</b>
6	<b>NARESH TRAMBAKLAL SHAH</b>				
	At the beginning of the year	57500	0.632		
	No Change				
	At the end of the year			<b>57500</b>	<b>0.632</b>
7	<b>SURESH AMBALAL SHAH</b>				
	At the beginning of the year	57500	0.632		
	No Change				
	At the end of the year			<b>57500</b>	<b>0.632</b>
8	<b>MADHU RAJESH JAIN</b>				
	At the beginning of the year	44750			
	Increase(Purchase as on 16/06/2017)	11500		56250	0.618
	At the end of the year			<b>56250</b>	<b>0.618</b>
9	<b>SANJAY POPATLAL JAIN</b>				
	At the beginning of the year	23000	0.253		
	Increase(Purchase as on 21/04/2017)	23000		46000	0.505
	Increase(Purchase as on 20/10/2017)	11500		57500	0.632
	decrease(sell as on 24/11/2017)	-5750		51750	0.569
	decrease(sell as on 26/01/2017)	-5750		46000	0.505
	At the end of the year			46000	0.505
10	<b>BHARAT NAMDEO BALAK</b>				
	At the beginning of the year	<b>46000</b>	<b>0.505</b>		
	No change				
	At the end of the year			<b>46000</b>	<b>0.505</b>





11	<b>HEM SECURITIES LIMITED</b>				
	At the beginning of the year	<b>84000</b>	<b>0.923</b>		
	decrease(sell as on 07/04/2017)	-11500		72500	0.797
	decrease(sell as on 14/04/2017)	-34500		38000	0.417
	Increase(Purchase as on 21/04/2017)	23000		61000	0.67
	Increase(Purchase as on 12/05/2017)	46000		107000	1.176
	decrease(sell as on 19/05/2017)	-67500		39500	0.434
	Increase(Purchase as on 26/05/2017)	11500		51000	0.56
	Increase(Purchase as on 02/06/2017)	11500		62500	0.687
	Increase(Purchase as on 09/06/2017)	11500		74000	0.813
	Increase(Purchase as on 23/06/2017)	11500		85500	0.939
	decrease(sell as on 30/06/2017)	-5750		79750	0.876
	Increase(Purchase as on 07/07/2017)	11500		91250	1.003
	decrease(sell as on 14/07/2017)	-5750		85500	0.939
	decrease(sell as on 21/07/2017)	-5750		79750	0.876
	decrease(sell as on 28/07/2017)	-23000		56750	0.623
	decrease(sell as on 15/09/2017)	-28750		28000	0.308
	decrease(sell as on 06/10/2017)	-5750		22250	0.244
	increase( Purchase as on 13/10/2017)	5750		28000	0.308
	decrease(sell as on 03/11/2017)	-23000		5000	0.055
	increase( Purchase as on 09/03/2018)	57500		62500	0.687
	decrease(sell as on 16/03/2018)	-40250		22250	0.244
	increase( Purchase as on 23/03/2018)	-17250		5000	0.055
	increase( Purchase as on 31/03/2018)	11500		16500	0.181
	At the end of the year			<b>16500</b>	<b>0.181</b>
12	<b>UTSAV PRAMODKUMAR SHRIVASTAV</b>				
	At the beginning of the year	65500	0.72		
	decrease(sell as on 21/04/2017)	-57500		8000	0.088
	decrease(sell as on 09/06/2017)	-5750		2250	0.025
	At the end of the year			<b>2250</b>	<b>0.025</b>
13	<b>PREETI BHAUKA</b>	50000	0.549		
	decrease(sell as on 07/04/2017)	-23000		27000	0.297
	decrease(sell as on 21/04/2017)	-23000		4000	0.044
	decrease(sell as on 30/06/2017)	-4000		0	0
	<b>At the end of the year</b>		<b>0</b>		<b>0</b>



(v) Shareholding of Directors and Key managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company
1	<b>Bhavan Dharendra Vora</b>				
	At the beginning of the year	<b>3688067</b>	<b>40.52</b>		
	Increase (Purchase on 23.03.2018 )	21000		3709067	40.751%
	Increase (Purchase on 31.3.2018 )	57750		3766817	41.38%
	At the end of the year			<b>3766817</b>	<b>41.38%</b>
2	<b>Darshana Devang Vora</b>				
	At the beginning of the year	<b>1098928</b>	<b>12.07</b>		
	No change				
	At the end of the year			<b>1098928</b>	<b>12.07</b>
3	<b>Nandish V Gandhi</b>				
	At the beginning of the year	<b>46575</b>	<b>0.51</b>		
	No change	-	-		
	At the end of the year			<b>46575</b>	<b>0.51</b>
4	<b>Praful R Pandya</b>				
	At the beginning of the year	<b>8642</b>	<b>0.09</b>		
	No change	-	-		
	At the end of the year			<b>8642</b>	<b>0.09</b>
5	<b>Bhasker P Parekh</b>				
	At the beginning of the year	<b>122475</b>	<b>1.35</b>		
	No change	-	-		
	At the end of the year			<b>122475</b>	<b>1.35</b>

(V) INDEBTEDNESS:

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i ) Principal Amount	21,32,40,871	3,93,98,492	-	25,26,39,363
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>21,32,40,871</b>	<b>3,93,98,492</b>		<b>25,26,39,363</b>
<b>Change in Indebtedness during the financial year</b>				
Add: Addition	2,99,83,033	2,93,58,323		5,93,41,356
Less: Reduction				
<b>Net Change</b>	<b>2,99,83,033</b>	<b>2,93,58,323</b>		<b>5,93,41,356</b>
<b>Indebtedness at the end of the financial year</b>				



**Advance Syntex Limited - Annual Report 2017-18**

i) Principal Amount	24,32,23,904	6,87,56,815		31,19,80,719
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>24,32,23,904</b>	<b>6,87,56,815</b>		<b>31,19,80,719</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANGERIAL PERSONNEL**

**A. Remuneration of Managing Director, Whole-time Directors and/or Manager**

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Bhavan Vora (MD)	Darshana Devang Vora (WTD)	
1	Gross salary (Rs.) (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	18,00,000	3,00,000	21,00,000
2	Stock Option	-	-	-
3	Sweat Equity	-	-	--
4	Commission - as % of profit (1%) - others, specify...	-	-	--
5	Others, please specify	-	-	--
6	Total (A)	18,00,000	3,00,000	21,00,000
7	Ceiling as per the Act	Rs. 42,00,000/- as per Schedule V to the Companies Act, 2013		

**B. Remuneration to other Directors**

Sr. No.	Particulars of Remuneration	Name of Directors (ID=Independent Director & NED=Non Executive Director)						Total Amount
		Sanjeev Manickchand Rakhecha (ID)	Bhasker Pranjivanbhai Parekh (NED)	Rajesh Asalraj Jain (ID)	Himesh Ochhaval Shah (ID)	Praful Ramanal Pandya (NED)	Nandish Vinubhai Gandhi (NED)	
1	Independent Directors · Fee for attending board committee meetings · Commission · Others, please specify	-	-	-	-	-	-	-
	<b>Total (1)</b>	-	-	-	-	-	-	-
2	Other Non-Executive · Fee for attending board committee meetings · Commission · Others, please specify	-	-	-	-	-	-	-
	<b>Total (2)</b>	-	-	-	-	-	-	-
	<b>Total (B) = (1+2)</b>	-	-	-	-	-	-	-
	<b>Total Managerial Remuneration (A+B)</b>	-	-	-	-	-	-	-
	Overall Ceiling as per the Act	Rs. 1,00,000/- per meeting per director for attending meeting of the Board and Committee						



**C. REMUNERATION OF KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER / WHOLETIME DIRECTOR**

Sr. No.	Particulars of Remuneration	Key Managerial Personnel				Total
		<sup>1</sup> Biraj Pancholi (CS)	<sup>2</sup> Shrinali Patel(CS)	<sup>3</sup> Farhad S. Vasawala (CFO)	<sup>4</sup> Bhavan Vora (CFO)	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	1,68,000	14,759	91,420	-	2,74,179
2	Stock Option	Nil	Nil	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil	Nil	Nil
4	Commission - as % of profit - others, specify...	Nil	Nil	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil	Nil	Nil
	<b>Total</b>	1,68,000	14,759	91,420	-	2,74,179

1. Ceased to be Company Secretary w.e.f. 10<sup>th</sup> March, 2018.

2. Appointed as Company Secretary w.e.f.10<sup>th</sup> March, 2018.

3. Ceased to be CFO w.e.f. 31<sup>st</sup> July, 2017.

4. Appointed as CFO w.e.f. 04<sup>th</sup> September, 2017.

**VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:**

There were no penalties/punishment/compounding of offences during the financial year 2016-17.



**ANNEXURE – B TO THE BOARD’S REPORT**  
**Form No. AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto.

(i) **Details of contracts or arrangements or transactions NOT at arm’s length basis:**

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the Contracts / arrangements/ transactions	Salient terms of the contracts or Arrangements or Transactions including value, if any	Date(s) of approval by the Board	Amount paid as advance, if any	Date on which the special resolution was passed in General Meeting as required under first proviso to Section 188.
<b>Not Applicable</b>						

(II) **Details of material contracts or arrangement or transactions at arm’s length basis:**

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements / transactions	Duration of Contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advances , if any	Date on which the special resolution was passed in General Meeting as required under First proviso to Section 188.
Aneree corporation (Associate Firm)	Sales and purchase and job work	Commence from the 01 <sup>st</sup> April, 2017 and shall remain in force at the will of the parties.	As per the agreement entered between the parties.	23 <sup>rd</sup> March, 2017	Nil	Not Applicable
DD Engg. Corporation ( Associate Firm)	Sales and purchase	Commence from the 01 <sup>st</sup> April, 2017 and shall remain in force at the will of the parties.	As per the agreement entered between the parties.	23 <sup>rd</sup> March, 2017	Nil	Not Applicable
Earth Enterprises (Associate Firm)	Sales and purchase and job work	Commence from the 01 <sup>st</sup> April, 2017 and shall remain in force at the will of the parties.	As per the agreement entered between the parties.	23 <sup>rd</sup> March, 2017	Nil	Not Applicable
Devang Enterprise (Associate Firm)	Sales	Commence from the 01 <sup>st</sup> April, 2017 and shall remain in force at the will of the parties.	As per the agreement entered between the parties.	23 <sup>rd</sup> March, 2017	Nil	Not Applicable





**Advance Syntex Limited - Annual Report 2017-18**

Anron Metalisers P Ltd (Associate Firm)	Sales	Commence from the 01 <sup>st</sup> April, 2017 and shall remain in force at the will of the parties.	As per the agreement entered between the parties.	23 <sup>rd</sup> March, 2017	Nil	Not Applicable
Bhavan Vora (MD)	Loan transaction	Commence from the 01 <sup>st</sup> April, 2017 and shall remain in force at the will of the parties.	As per the agreement entered between the parties.	23 <sup>rd</sup> March, 2017	Nil	Not Applicable
D D Vora (WTD)	Loan transaction	Commence from the 01 <sup>st</sup> April, 2017 and shall remain in force at the will of the parties.	As per the agreement entered between the parties.	23 <sup>rd</sup> March, 2017	Nil	Not Applicable

**For and on behalf of the Board of Directors**

**Date: 27-8-2018**

**Place: Vadodara.**

**Bhavan Vora  
Managing Director  
DIN 01613974**

**Darshana Vora  
Whole Time Director  
DIN 06718711**



**ANNEXURE – C TO THE BOARD’S REPORT**

**FORM NO. MR 3**

**SECRETARIAL AUDIT REPORT**

(Pursuant to section 204 (1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration personnel) Rules, 2014)

For the financial year ended 31<sup>st</sup> March 2018

To,  
The Members,  
Advance Syntex Limited  
CIN: L17119GJ1990PLC014406

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Advance Syntex Limited (hereinafter called the “Company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March 2018 according to the provisions as applicable to the company during the period of audit:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; ***Not Applicable during the audit period***
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’);
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; ***Not Applicable during the audit period***



- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008: **Not Applicable during the audit period**
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not Applicable during the audit period** and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **Not Applicable during the audit period;**
  - (i) The SEBI Circular No. Cir/ISD/ 3/2011 dated June 17, 2011 regarding Shareholding of promoter / promoter group to be in dematerialized mode.
- (vi). Other laws applicable to the Company as per the representations made by the Company.

We have also examined compliance with the applicable clauses of following:

1. Secretarial Standards issued by The Institute of Company Secretaries of India.
2. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and The Listing Agreement entered into by the Company with the Small and Medium Enterprise Platform of BSE Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that :

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes if any, in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' Views are captured and recorded as part of the minutes.

We further report that:

There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. We have relied on the representation made by the Company and its Managing Director in respect of the Systems and Processes and Mechanism formed for compliances under the laws at (i) to (v) above and other applicable laws. We have relied on the representations made by the Company and its officers for systems and mechanisms formed by the Company for compliances under other laws and regulations applicable to the Company. We have relied on the report of internal as well as statutory Auditors of the Company for compliance system relating to direct tax, indirect tax and other tax laws.

We further report that during the audit period, the company initiated the process of Preferential Issue of Equity shares and there were no instances of:

- (i). Rights / Debentures / Sweat Equity.



**Advance Syntex Limited - Annual Report 2017-18**

- (ii). Redemption / Buy Back of Securities.
- (iii). Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013
- (iv). Merger / Amalgamation / Re-construction etc.
- (v). Foreign Technical Collaboration / Equity Participation.

For M. H. Dave & Co.,  
Company Secretaries

Date: 27/08/2018  
Place: Vadodara

Mukund H Dave  
Proprietor  
C. P. No. 2084

**Note:** This Report is to be read with our letter of even date which is annexed as Annexure -1 and forms an integral part of this report.

**Annexure -1**

To,  
The Members,  
Advance Syntex Limited  
CIN: L17119GJ1990PLC014406

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For M. H. Dave & Co.,  
Company Secretaries

Date: 27/08/2018  
Place: Vadodara

Mukund H Dave  
Proprietor  
C. P. No. 2084



**Disclosure pursuant to Section 197(12) of the Companies Act, 2013 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.**

- a. **The ratio of the remuneration of each Director to the median remuneration of the Employees of the Company for the financial year:**

Name of Director	Ratio to median Remuneration
Mr. Bhavan Dhirendra Vora	8.42
Mrs. Darshana Devang Vora	1.40

- b. **The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary in the financial year:**

Name of Director	Percentage increase in remuneration
Mr. Bhavan Dhirendra Vora	0%
Mrs. Darshana Devang Vora	0%
*Ms. Lakshita Sabnani	0%
*Mr. Biraj Pancholi	0%

\* Since this information is for part of the year, the same is not comparable.

- c. **The number of permanent employees on the rolls of Company: 25**
- d. **Average percentile increase / decrease made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

The average annual increase in the salaries of employees in the last financial year was 4.1 % and there was no increase in the managerial remuneration.

- e. **The key parameters for any variable component of remuneration availed by the directors:**  
None of the Directors of the Company were paid any variable component of commission during the year under review.
- f. **Affirmation that the remuneration is as per the remuneration policy of the Company:**  
The Company affirms remuneration is as per the remuneration policy of the Company.



# V.J.Amin & Co.

Chartered Accountants

506, Gayatri Chamber, R C Dutt Road, Vadodara- 390007

## INDEPENDENT AUDITORS' REPORT

### TO THE SHARE HOLDERS'

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

### REPORT ON THE FINANCIAL 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, 2018, the Profit and Loss Statement for the period ended on 31st March, 2018, Cash Flow for the period end on 31st March, 2018 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, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31st, 2018, 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.

For, V. J. Amin & Co.,  
Chartered Accountants  
Firm Reg.No.100335W

*Date: 30/05/2018*  
*Place: Vadodara*

(CA. Chintankumar J. Patel)  
Partner.  
Membership No.134028



**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, 2018.**

**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.



**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 31<sup>st</sup> March, 2018 for a period more than six months from the date of becoming payable.
- c) The disputed Statutory dues are as listed below;

<b>Related To</b>	<b>Authority Where Case is Pending</b>	<b>Financial Year</b>	<b>Disputed Amount Rs.</b>	<b>Remarks</b>
VAT	Sales Tax Appellate Tribunal, Ahmedabad	2009-10	588,725	Input credit claimed is disallowed in proportion. It is explained that in 1 <sup>st</sup> appeal the order shall be in favor of applicant. The Company had paid under protest Rs.230,000/-.
CST	Sales Tax Appellate Tribunal, Ahmedabad	2009-10	359,779	Input credit claimed is disallowed in proportion. It is explained that in 1 <sup>st</sup> appeal the order shall be in favor of applicant. The Company had paid under protest Rs.65,000/-.
VAT	Dy. Comm. Of Commercial Tax,	2010-11	562,575	Input credit claimed is disallowed during assessment due to Input used in manufacturing



**Advance Syntex Limited - Annual Report 2017-18**

	Vadodara			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/-
VAT	Dy. Comm. Of Commercial Tax, Vadodara	2011-12	2,78,146	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. 56000/-
CST	Dy. Comm. Of Commercial Tax, Vadodara	2011-12	11,75,942	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.240000/-
CST	Dy. Comm. Of Commercial Tax, Vadodara.	2012-13	23,88,714	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.478000/-

**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, V. J. Amin & Co.,  
Chartered Accountants  
FRNo.100335W

(CA Chintankumar J Patel)  
Partner  
Membership No.134028  
Place: Vadodara  
Date: 30/05/2018



**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 31<sup>st</sup> March, 2018 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<sup>st</sup> March, 2018, 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, V. J. Amin & Co.,  
Chartered Accountants  
FRNo.100335W

(CA Chintankumar J Patel)  
Partner  
Membership No.134028  
Place: Vadodara  
Date: 30/05/2018





**Advance Syntex Limited - Annual Report 2017-18**

**ADVANCE SYNTEX LIMITED**  
(Earlier Known As Advance Syntex Private Limited)  
Balance Sheet as on 31st March, 2018

*Amt. in Rs.*

	Particulars	Note No.	As at 31st March, 2018	As at 31st March, 2017
<b>I.</b>	<b>EQUITY AND LIABILITIES</b>			
(1)	<b>Shareholder's Funds</b>			
	(a) Share Capital	1	91,018,590	91,018,590
	(b) Reserves and Surplus	2	35,361,919	21,072,555
(2)	Share Application Money Pending for Allotment		49,881,250	-
(3)	<b>Non-Current Liabilities</b>			
	(a) Long-Term Borrowings	3	129,826,360	97,259,356
	(b) Deferred Tax Liabilities (Net)	4	3,909,371	1,988,235
	(c) Long Term Provisions	5	485,719	365,422
(4)	<b>Current Liabilities</b>			
	(a) Short-Term Borrowings	6	182,154,360	155,380,006
	(b) Trade Payables	7	139,217,131	113,121,704
	(c) Other Current Liabilities	8	1,882,164	5,073,892
	(d) Short-Term Provisions	9	13,890,333	16,248,178
	<b>TOTAL</b>		<b>647,627,197</b>	<b>501,527,938</b>
<b>II.</b>	<b>ASSETS</b>			
(1)	<b>Non-Current Assets</b>			
	(a) Fixed Assets			
	(i) Tangible Assets	10	118,706,009	91,191,351
	(ii) Intangible Assets		-	-
	(b) Other Non-Current Assets	11	2,629,820	3,249,344
(2)	<b>Current Assets</b>			
	(a) Inventories	12	171,395,424	163,274,432
	(b) Deposit	13	9,538,986	2,417,837
	(c) Trade Receivables	14	242,363,508	184,963,703
	(d) Cash and Cash Equivalents	15	71,528,995	21,153,093
	(e) Short-Term Loans and Advances	16	20,158,641	25,685,137
	(f) Other Current Assets	17	11,305,814	9,593,041
	<b>TOTAL</b>		<b>647,627,197</b>	<b>501,527,938</b>
	Significant Accounting Policies and Notes on Financial Statements	1-27		

As per our report of even date

For, V. J. Amin & Co.

Chartered Accountants

FRN: 100335W

CA. Chintankumar J. Patel

Partner

M. No.: 134028

Place: Vadodara

Date: 5/30/2018

For, ADVANCE SYNTEX LIMITED,

B. D. Vora

Din No.: 01613974

MD & CFO

Shrinali Patel

Company Secretary

Place: Vadodara

D. D. Vora

DIN No.: 06718711

Whole Time Director

Date: 30/05/2018



**Advance Syntex Limited - Annual Report 2017-18**  
ADVANCE SYNTEX LIMITED

(Earlier Known As Advance Syntex Private Limited)  
Profit & Loss Statement For the Period Ended 31st March, 2018

*Amt. in Rs.*

	Particulars	Note No.	As at 31st March, 2018	As at 31st March, 2017
I.	Revenue From Operation (Including Duties & Taxes)		853,737,852	725,281,359
	Less: Duties & Taxes		109,965,116	58,994,004
			743,772,736	666,287,355
	Less: Inter Unit Transfer		30,191,078	120,163,588
	Revenue from Operations(Net)	18	713,581,658	546,123,767
II.	Other Incomes	19	1,478,068	1,935,847
III.	<b>Total Revenue (I + II)</b>		<b>715,059,727</b>	<b>548,059,614</b>
IV.	Expenses:			
(1)	Cost of Material Consumed	20	549,362,818	412,483,990
(2)	Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	21	10,287,181	(3,750,234)
(3)	Employee Benefit Expenses	22	7,207,589	5,048,544
(4)	Finance Costs	23	51,220,794	39,621,473
(5)	Depreciation and Amortization Expense	24	22,523,278	17,238,860
(6)	Other Expenses	25	49,416,883	60,623,655
	<b>Total Expenses</b>		<b>690,018,543</b>	<b>531,266,289</b>
V	Profit before Prior Period Items and Tax (III-IV)		25,041,184	16,793,325
VI	Exceptional and Extra Ordinary Items	26		
	Exceptional Items Income / (Expense)		-	-
	Prior Period Items Income/(Expense)		-	-
	Misc. Exp. Written Off		(812,376)	(812,336)
VII	Profit before Tax (V-VI)		<b>24,228,808</b>	<b>15,980,989</b>
VIII	Tax Expense:			
(a)	Current tax		4,438,510	6,133,870
(b)	Deferred Tax		1,921,136	(789,777)
			6,359,646	5,344,093
X	Profit/ (Loss) for the period (VII-VIII)		<b>17,869,162</b>	<b>10,636,895</b>
XI	Earnings Per Equity Share			
(1)	Basic		1.96	1.40
(2)	Diluted		1.96	1.40
Significant Accounting Policies and Notes on Financial Statements		1-27		

As per our report of even date

For, V. J. Amin & Co.

Chartered Accountants

FRN: 100335W

CA. Chintankumar J. Patel

Partner

M. No.: 134028

Place: Vadodara

Date: 5/30/2018

For, ADVANCE SYNTEX LIMITED,

B. D. Vora

Din No.: 01613974

MD & CFO

D. D. Vora

DIN No.: 06718711

Whole Time Director

Shrinali Patel

Company Secretary

Place: Vadodara

Date: 30/05/2018



**Advance Syntex Limited - Annual Report 2017-18**

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

**CASH FLOW STATEMENT FOR THE PERIOD ENDED ON 31st March, 2018**

Particulars	Year Ended 31st March, 2018		Year Ended 31st March, 2017	
	Rupees	Rupees	Rupees	Rupees
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net Profit before tax		24,228,808		15,980,989
<b>Adjustment for :</b>				
Depreciation and Amortization Exp	22,523,278		17,238,860	
Prior Period Differed Tax	-		-	
Prior Period Depreciation	-		-	
Interest Income	(1,351,527)		(1,341,873)	
Financial Cost	51,220,794	72,392,545	39,621,473	55,518,460
<b>Operating profit before working capital changes</b>		<b>96,621,352</b>		<b>71,499,449</b>
<b>Adjustment for :</b>				
Changes in Working Capital :				
Adjustment in provision for Gratuity	-		-	
Increase / (Decrease) in Long Term Provisions	120,297		54,415	
Increase / (Decrease) in Trade Payable	26,095,427		15,605,589	
Increase / (Decrease) in Other Current Liabilities	(3,191,728)		(1,337,245)	
Increase / (Decrease) in Short Term Provision Other Than IT Provision	(2,357,845)		4,780,894	
(Increase) / decrease in Inventories	(8,120,992)		(23,546,021)	
(Increase) / decrease in Deposit	(7,121,149)		764,117	
(Increase) / Decrease in Short term Loans & Advances	5,526,496		(8,844,622)	
(Increase)/Decrease in Non Current Assets	619,524		(2,172,664)	
(Increase) / Decrease in Trade Receivable	(57,399,805)		(27,385,421)	
(Increase) / Decrease in Other Current Assets	(1,712,773)	(47,542,547)	4,359,801	(37,721,157)
<b>Cash Generated from Operation</b>		<b>49,078,806</b>		<b>33,778,292</b>
Net Income-tax paid / Provided		5,251,779		8,696,255
<b>Net Cash Flow from Operating Activities</b>		<b>43,827,027</b>		<b>25,082,037</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>				
Capital Expenditure on Fixed Assets	(50,037,936)		(25,867,032)	
Profit on Currency hedging	-		-	
Interest Received	1,351,527	(48,686,409)	1,341,873	(24,525,159)
<b>Net Cash Flow from/(used) in Investing Activities</b>		<b>(48,686,409)</b>		<b>(24,525,159)</b>

**Advance Syntex Limited - Annual Report 2017-18**

<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>			
Proceeds from Issue of Share Capital	-		21,000,000
Proceeds from Security Premium	-		4,200,000
Proceeds from Share Application Money	49,881,250		-
Proceeds from Long Term Borrowings	32,567,004		22,911,654
Short Term Borrowings	26,774,353		(3,139,757)
Dividend Paid	(2,766,529)		
Financial Cost paid	(51,220,794)	55,235,285	(39,621,473)
<b>Net Cash Flow from/(used) in Financing Activities</b>		<b>55,235,285</b>	<b>5,350,424</b>
<b>Net Increase/(decrease) in Cash &amp; Cash Equivalents(A+B+C)</b>		<b>50,375,902</b>	<b>5,907,302</b>
<b>Cash &amp; Cash Equivalents at the beginning of the period</b>		<b>21,153,093</b>	<b>15,245,791</b>
<b>Cash &amp; Cash Equivalents at the end of the period</b>		<b>71,528,995</b>	<b>21,153,093</b>

- 1) The figures in bracket indicate outflow
- 2) Previous period's figures have been regrouped wherever considered necessary.

As per our report of even date

For, V. J. Amin &amp; Co.

Chartered Accountants

FRN: 100335W

For, ADVANCE SYNTEX LIMITED,

B. D. Vora

Din No.: 01613974

MD &amp; CFO

Shrinali Patel

Company Secretary

Place: Vadodara

D. D. Vora

Din No.: 06718711

Whole Time Director

Date:30/5/2018

CA. Chintankumar J. Patel

Partner

M. No.: 134028

Place: Vadodara

Date: 30/05/2018



**Advance Syntex Limited - Annual Report 2017-18**

**ADVANCE SYNTEX LIMITED**  
**(Earlier Known As Advance Syntex Private Limited)**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

*Amt. in Rs.*

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Nos.	Amt.	Nos.	Amt.
<b>NOTE # 1</b>				
<b>SHARE CAPITAL</b>				
(i) Authorised:				
Equity Shares of Rs. 10/- Each	9,250,000	92,500,000	9,250,000	92,500,000
Issued:				
Equity Shares of Rs. 10/- Each	9,101,859	91,018,590	9,101,859	91,018,590
Subscribed & Paid-up:				
Equity shares of Rs. 10/- each.	9,101,859	91,018,590	9,101,859	91,018,590
Call Unpaid		-		-
Par Value per Share		10		10
(ii) Reconciliation of Numbers of Equity Shares:				
Equity Shares:				
Shares Outstanding at the beginning of the Year	9,101,859	91,018,590	5,814,660	58,146,600
Shares Issued during the Period	-	-	2,100,000	21,000,000
Fresh / Right Issue	-	-	-	-
Bonus Issue	-	-	1,187,199	11,871,990
<b>Shares Outstanding at the end of the Year</b>	<b>9,101,859</b>	<b>91,018,590</b>	<b>9,101,859</b>	<b>91,018,590</b>
(iii) The right preference and restrictions attaching to each class of shares including restrictions on the distribution of dividends and repayment of capital.				
	-	-	-	-
(iv) Shares in respect of each class in the company held by its holding company or ultimate holding company				
	-	-	-	-
(v) Details of Shareholders holding more than 5% shares.				
	As at 31-03-2018		As at 31-03-2017	
	No. Of Shares Held	% of holding	No. Of Shares Held	% of holding
Mr. Bhavan D Vora	3,766,817	41.39%	3,688,067	40.52%
Mr. Devang D Vora	1,337,461	14.69%	1,337,461	14.69%
Mrs. Darshana D Vora	1,098,928	12.07%	1,098,928	12.07%
(vi) Shares reserved for issue under option and contracts / commitments for sale of shares / disinvestment.				
	-	-	-	-
(vii) For the period of 5 years immediately preceding the date as at Balance sheet is prepared				
	-	-	-	-



**Advance Syntex Limited - Annual Report 2017-18**

- Aggregate number and class of shares allotted as fully paid-up pursuant to contract(s) without payment being received in cash.

- Aggregate number and class of shares allotted as fully paid-up by way of bonus shares

- Aggregate number and class of shares bought back.

(viii) Terms of any securities convertible into equity / preference shares issued along with the earliest date of conversion in descending order starting from the farthest such date

(ix) Calls unpaid

(x) Forfeited shares

-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-

**NOTE # 2**

**RESERVES AND SURPLUS**

**Surplus in the Statement of Profit & Loss**

Opening balance	21,072,555	20,670,033
Add :Profit during the year	17,869,162	10,636,895
Less: Utilised During the Year For Issue of Bonus Shares	-	7,671,990
Less : Utilised During the Year For Dividend	2,766,529	-
Less : Tax Adjustments of Prior Years	813,269	2,562,383
Closing Balance - [A]	<u>35,361,919</u>	<u>21,072,555</u>

**Security Premium**

Opening balance	-	-
Add : During the year	-	4,200,000
Less : Utilised During the year For Issue of Bonus Shares	-	4,200,000
Closing Balance [B]	<u>-</u>	<u>-</u>

**Closing Balance [A+B]**

**Total**

**35,361,919**

**21,072,555**

**NOTE # 3**

**LONG TERM BORROWINGS**

**Secured**

From Bank	-	-
From Others	84,590,399	70,778,087
(Secured by hypothecation of Plant & Machinery)	<u>84,590,399</u>	<u>70,778,087</u>

**Unsecured**

From Bank	2,519,323	2,376,215
From Others	35,619,955	16,525,952
From Related Parties	7,096,683	7,579,103
	<u>45,235,961</u>	<u>26,481,270</u>

**Total**

**129,826,360**

**97,259,356**



Notes :

**a) Terms of Borrowing**  
**Details of lender**

	Terms of Loan	Installment Due on	Current Maturity
Total Term Loan From Banks and NBFC	12 to 120 Months	Monthly	45,631,661

**NOTE # 4**

**Deferred Tax Liabilities**

Deferred Tax liability on account of depreciation	4,034,444		2,109,055
Deferred Tax liability on account of other difference	(125,073)		(120,820)
<b>Total</b>	<b>3,909,371</b>		<b>1,988,235</b>

**NOTE # 5**

**Long Term Provisions**

Long Term Provision of Gratuity	485,719		365,422
Interest on Term Loan Payable	-		-
<b>Total</b>	<b>485,719</b>		<b>365,422</b>

**NOTE # 6**

**SHORT TERM BORROWINGS**

**Secured**

From Banks - (Cash Credit and Demand Loan)	116,522,699		108,451,098
--------------------------------------------	-------------	--	-------------

**1. Primary Security:**

Hypothecation over All Current Assets of the company.

**2. Collateral security:**

First Charge on Movable Property of the company other than hypoticated to NBFC.

First Charge on Immovable Porerty of the company i.e. Factory Land & Building Situated at Plot No: 149, 233/2, 238/2 and 104, GIDC Estate, Ramangamadi, Por, Vadodara.

Lien on FD of Rs. 33.73 Lac of the company.

Lien on NSC held by Directors valued Rs. 4.17 Lacs.

3. The rate of interest is (3 Momths MCLR + 3.60%) Presently 11.65%.

4. Sanction amount of Cash Credit is Rs. 1200 lacs.

From Others - (Working Capital Demand Loan)	20,000,000		20,000,021
---------------------------------------------	------------	--	------------

**1. Primary Security:**

First Charge on Industrial plot of land held by relative of director situated at Block Survey No 1222 of Village Por, Dist: Vadodara

2. The rate of interest is 11.00%.

3. Sanction amount of Working Capital Demand Loan is Rs. 200 lacs.

Current maturities of Long-term debt (Secured) (Secured by hypothecation of Plant & Machinery)	22,110,806		14,011,665
	<b>158,633,505</b>		<b>142,462,784</b>

**Unsecured**

From Bank	-		-
From Others	-		-
From Related Parties	-		-





**Advance Syntex Limited - Annual Report 2017-18**

Current maturities of Long-term debt (Unsecured)	23,520,855	12,917,222
	<u>23,520,855</u>	<u>12,917,222</u>
<b>Total</b>	<b><u>182,154,360</u></b>	<b><u>155,380,006</u></b>

**NOTE # 7**

**TRADE PAYABLES**

For Goods & Services	121,211,844	89,040,280
For Capital Goods	3,712,469	4,332,041
For Expenses	14,292,818	19,749,382
<b>Total</b>	<b><u>139,217,131</u></b>	<b><u>113,121,704</u></b>

The Company does not have any information related to Micro and Small enterprises as defined under Micro, Small and Medium Enterprise Development Act, 2006. Due to non availability of data, the details required have not been furnished.

**NOTE # 8**

**OTHER CURRENT LIABILITIES**

Statutory Dues	680,394	2,735,012
Trade Deposits From Customers	-	-
Advance from customers	1,201,770	2,338,880
<b>Total</b>	<b><u>1,882,164</u></b>	<b><u>5,073,892</u></b>

**NOTE # 9**

**SHORT TERM PROVISIONS**

Provision for Expenses	1,567,915	452,885
Provision For Gratuity	-	120,297
Provision For Interest	-	1,146,374
Provision For Taxes	12,232,917	14,464,122
Provision For Audit Fees	69,000	64,500
Provision For Dividend	20,501	-
<b>Total</b>	<b><u>13,890,333</u></b>	<b><u>16,248,178</u></b>

**NOTE # 11**

**OTHER NON CURRENT ASSETS**

Other Non Current Assets	2,629,820	3,249,344
<b>Total</b>	<b><u>2,629,820</u></b>	<b><u>3,249,344</u></b>

**NOTE # 12**

**INVENTORIES (As Certified by the Management)**

Raw Material ( includes goods in transit)	125,047,559	106,639,386
Finished Goods	41,368,526	53,655,950
Stores & Spares	4,979,339	2,979,096
<b>Total</b>	<b><u>171,395,424</u></b>	<b><u>163,274,432</u></b>



**Advance Syntex Limited - Annual Report 2017-18**

**NOTE # 13**

**DEPOSIT**

Deposit (MGVCL)	4,108,353	1,799,952
Others Deposits	5,430,633	617,885
<b>Total</b>	<b>9,538,986</b>	<b>2,417,837</b>

**NOTE # 14**

**TRADE RECEIVABLES**

Secured, Considered Good		
- Outstanding for a period exceeding six months		
- Others		
Less: Allowance for Bad & Doubtful Debts		
<u>Unsecured, Considered Good</u>		
- Outstanding for a period exceeding six months from the date they are due for payments	5,770,310	1,586,419
- Others	236,593,198	183,377,284
<b>Total</b>	<b>242,363,508</b>	<b>184,963,703</b>

\* Debts due by Directors/ Employees/ Firms in which Directors are partners/ Private Companies in which Directors are Members to be separately disclosed.

**NOTE # 15**

**CASH AND BANK BALANCE**

Cash on Hand	47,820	231,511
Balance with banks in Current Account	51,308,678	2,771,832
Fixed Deposit with Banks	20,172,498	18,149,750
<b>Total</b>	<b>71,528,995</b>	<b>21,153,093</b>

**NOTE # 16**

**SHORT TERM LOANS & ADVANCES**

<u>Unsecured, Considered Good</u>		
Advance Tax and TDS	8,136,124	8,824,155
Prepaid Expenses	4,159,689	2,900,154
Balance with Government Authorities	7,862,828	13,960,828
<b>Total</b>	<b>20,158,641</b>	<b>25,685,137</b>

**NOTE # 17**

**OTHER CURRENT ASSETS**

<u>Unsecured, Considered Good</u>		
Advance to Suppliers	9,492,904	7,969,604
Other Current Assets	1,382,717	1,193,244
Insurance Claim Receivable	430,193	430,193
<b>Total</b>	<b>11,305,814</b>	<b>9,593,041</b>



**Advance Syntex Limited - Annual Report 2017-18**

**ADVANCE SYNTEX LIMITED (Earlier Known As Advance Syntex Private Limited)**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

*Amt. in Rs.*

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
<b><u>NOTE # 18</u></b>		
<b><u>REVENUE FROM OPERATIONS</u></b>		
<b><u>Sale of Products</u></b>		
Sale of Products	83,16,51,108	70,72,39,680
<b><u>Sale of Services</u></b>		
Job Work Chagres	2,11,52,712	1,48,48,522
<b><u>Other Operating Revenues</u></b>		
Others (Duty Draw Back and MEIS Duty)	9,34,032	31,93,157
	<u>85,37,37,852</u>	<u>72,52,81,359</u>
Less: Excise Duties and Taxes	10,99,65,116	5,89,94,004
Less: Inter Unit Transfer	3,01,91,078	12,01,63,588
	<u>71,35,81,658</u>	<u>54,61,23,767</u>
<b><u>NOTE # 19</u></b>		
<b><u>OTHER INCOME</u></b>		
Miscellaneous Income	1,26,541	5,93,974
Interest Income	13,51,527	13,41,873
	<u>14,78,068</u>	<u>19,35,847</u>
<b><u>NOTE # 20</u></b>		
<b><u>COST OF MATERIAL CONSUMED</u></b>		
Inventory at the beginning of the year	10,66,39,386	8,68,43,598
Add : Purchases	56,77,70,991	43,22,79,778
	<u>67,44,10,377</u>	<u>51,91,23,376</u>
Less : Inventory at the end of the year	12,50,47,559	10,66,39,386
	<u>54,93,62,818</u>	<u>41,24,83,990</u>
<b><u>Details of materials consumed (Imported &amp; Indigenous:)</u></b>		
Metallised Poly Film and Others	42,11,31,990	39,12,40,060
Aluminium Wire	63,34,895	14,88,637
Chemical and Dyes	12,18,95,933	1,97,55,293
	<u>54,93,62,818</u>	<u>41,24,83,990</u>
<b><u>NOTE # 21</u></b>		
<b><u>CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS :</u></b>		
Inventory at the end of the year:		
Finished Goods	4,13,68,526	5,36,55,950
Stores And Spares	49,79,339	29,79,096



**Advance Syntex Limited - Annual Report 2017-18**

Inventory at the beginning of the year:

Finished Goods	5,36,55,950	4,86,83,355
Stores And Spares	29,79,096	42,01,457
	<u>1,02,87,181</u>	<u>(37,50,234)</u>

**NOTE # 22**

**EMPLOYEE BENEFIT EXPENSE**

Salary & Wages	71,43,685	49,28,247
Contribution to Provident Fund & other funds	63,904	1,20,297
	<u>72,07,589</u>	<u>50,48,544</u>

**NOTE # 23**

**FINANCE COST**

Interest Expenses	4,35,82,407	3,15,94,830
Other Borrowing Cost	76,38,387	80,26,643
	<u>5,12,20,794</u>	<u>3,96,21,473</u>

**NOTE # 24**

**DEPRECIATION & AMORTIZATION EXPENSE**

Depreciation	2,25,23,278	1,72,38,860
	<u>2,25,23,278</u>	<u>1,72,38,860</u>

**NOTE # 25**

**OTHER EXPENSE**

Advertisement Exp.	2,33,227	2,48,159
Business promotion exp	7,50,990	1,92,618
Communication	1,42,129	1,65,817
Director Remuneration	21,00,000	21,00,000
Excise Expenses	4,70,171	1,16,90,812
Foreign Exchange Difference		3,31,378
	(10,07,958)	
Freight and Forwarding Charges	33,01,204	20,11,101
Insurance	7,84,721	9,12,472
Jobwork Charges	20,428	1,16,83,911
Legal & Professional Fees	38,96,236	19,31,149
Loading Unloading Expenses	3,21,924	4,09,244
Miscellaneous Expenses*	4,06,027	1,47,323
Office Expenses	2,02,673	1,21,065
Power & Fuel	3,23,45,745	2,40,84,994
Payment to Auditor	-	
Audit fee	64,500	94,500
Tax Audit Fee	-	60,000
Other Services	-	-
Penalty	-	-
Repairs & Maintenance :		
Building	1,48,261	45,539
Machinery	9,87,248	1,46,863
Others (Incl. Vehicle running & maintenance)	2,50,733	3,55,566
Rent, Rates & Taxes	6,50,501	16,23,278
Storage, Clearing, Forwarding & Material Handling Charges	9,50,356	6,90,344



**Advance Syntex Limited - Annual Report 2017-18**

Stationery, Postage & Subscription	3,71,794	3,04,047
Security Charges	8,45,720	5,99,400
Testing And Analysis charges	1,32,941	88,250
Travelling and Conveyance	10,47,312	5,85,826
<b>Total</b>	<b>4,94,16,883</b>	<b>6,06,23,655</b>

\* None of the items individually account for more than Rs. 100,000 or 1% of revenue whichever is higher

**NOTE # 26**

**EXCEPTIONAL AND PRIOR PERIOD ITEMS**

**EXCEPTIONAL ITEMS**

Loss Due To Fire	-	-
	-	-

**PRIOR PERIOD ITEMS**

Gratuity	-	-
	-	-

**MISC. EXPENSES WRITTEN OFF**

IPO Exepenses	8,12,376	8,12,336
	8,12,376	8,12,336



**Note No: # 27 Corporate Information and significant accounting policies:**

**I. Corporate Information:**

Advance Syntex Limited earlier known as Advance Syntex Private Limited is a company engaged in the business of manufacturing and trading of Metallic yarn, lacquer coated aluminum metalized polyester film, glitter powder and allied other products.

**II. Significant accounting policies:**

**1. Basis of Preparation:**

These Financial statements have been prepared to comply in all material respects with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting standards notified under the relevant provisions of the Companies Act, 2013.

The Financial Statements have been prepared under the historical cost convention on an accrual and going concern basis. The accounting policies have been consistently by the company.

**2. Use of Estimates:**

The preparation of financial statements are in conformity with Indian GAAP requires judgments, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosures of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized. Any material changes in estimates are separately disclosed in financial statements by way notes.

**3. Fixed assets & Depreciation:**

Fixed assets are stated at Cost less accumulated depreciation, if any. Cost comprises purchase price and any other attributable cost of bringing the assets to its working condition for its intended use.

Depreciation on Tangible Fixed Assets is provided on the Written Down Value method considering the useful life of the assets the useful life of the assets is considered as per the schedule II of the Companies Act., 2013 except plant and machineries where useful life of the same is determined and certified by the chartered engineer. The useful life of the assets is disclosed under the notes of fixed assets.

**4. Inventories:**

Inventories comprises of Raw Materials, Stores and Spares. Raw Material and Stores & Spares are stated at cost (arrived at on the first in first out method with the inclusion of appropriate manufacturing overheads where applicable) or net realizable value whichever is less. Finished Goods are valued at cost or net realizable whichever is lower.

**5. Revenue Recognition:**

Revenue from sale of goods and services is recognized when significant risk and rewards in respect of ownership are transferred.

Other income is recognized on accrual basis except when realization of such income is uncertain.

**6. Provisions, Contingent Liabilities and Contingent Assets**

A provision is recognized when the company has a present obligation as a result of past events and it's probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present values and are determined based on best estimate required to



settle the obligations at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

**7. Foreign Currency Transactions:**

Transactions in foreign currencies are recognized at the prevailing exchange rates on the transaction dates. Realize gain and losses on settlement of foreign currency transactions are recognized in the profit and loss account under the natural revenue head of accounts. Exchange differences relating to fixed assets are capitalized to respective Fixed Asset.

**8. Impairment of assets:**

An impaired loss is charged to the statement of profit and loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

**9. Employee benefits:**

**A. Short-term employee benefits:**

Short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized undiscounted during the period employee renders services. These benefits include salary, wages, bonus and performance incentives etc. Bonus to employees is charged to profit and loss account on the actual payment basis.

**B. Post Employment benefits:**

• **Defined- Contribution Plans:**

Total number of employees is less than limit prescribed under The Provident Fund & Miscellaneous Act, 1952, hence The Provident Found & Miscellaneous Act, 1952 is not applicable to the company.

• **Defined Benefit Plans:**

Employee Gratuity Fund scheme is the Defined Benefit Plan. Provision for gratuity has been made in the accounts according to the valuation made by actuarial.

**10. Taxes on Income:**

- Current Tax - Provision for current tax / minimum alternate tax (MAT) is made based on tax liability computed after considering tax allowances and exemptions.
- Deferred Tax - Deferred tax is recognized on timing differences between the accounting income and taxable income for the year and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date. Deferred tax assets are recognized and carry forward to the extent that there is a reasonable or virtual certainty, as may be applicable, that sufficient future taxable income will be available against which such deferred tax asset can be realized.

**11. Earnings Per Share:**

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit After tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

**12. Cash and Cash Equivalents:**

Cash and cash equivalents comprise cash and cash on deposit with banks and corporations.





13. Other Notes to Accounts:

a) Revenue From Operation:

Manufactured Goods & Services:

Sr. No.	Finished Goods	For the Period ended on 31/03/2018 (Rs.)	For the Period ended on 31/03/2017 (Rs.)
1	Lacquer Coated AMPF	15,02,11,478/-	10,84,85,713/-
2	Glitter Powder	17,00,69,476/-	17,36,74,649/-
3	Metalized Polyester Film	28,61,38,133/-	19,78,52,502/-
4	Others	10,71,62,572/-	6,61,10,903/-
	<b>Total----</b>	<b>71,35,81,659/-</b>	<b>54,61,23,767/-</b>

b) Micro, Small and Medium Enterprise :

Particulars	For the Period ended
	31/03/2018
<b>1. The amounts recognized in the Balance Sheet are as follows:</b>	
Fair value of plan assets at the beginning of the period	0
Present value of benefit obligations as at the end of the period	385569
Funded Status	0
Net Liability	385569
<b>2. The amounts recognized in the Profit &amp; Loss A/c are as follows:</b>	
Current Service Cost	78581
Interest on Defined Benefit Obligation	37643
Net Actuarial Losses / (Gains) Recognized in Year	(216374)
<b>Expense to be recognized in P&amp;L</b>	
<b>3. Changes in the present value of defined benefit obligation:</b>	
Defined benefit obligation as at the beginning of the year/period	485719
Service cost	78581
Interest cost	37643
Actuarial Losses/(Gains)	(216374)
Defined benefit obligation as at the end of the year/period	385569
<b>Benefit Type :</b>	
Retirement Age:	60 Years
Vesting Period:	5 Years
<b>The principal actuarial assumptions for the above are:</b>	



**Advance Syntex Limited - Annual Report 2017-18**

Discount rate per annum	7.75% p.a.
Expected salary escalation rate per annum	5.00% p.a.
Attrition Rate per Annum	2.00% p.a.

The Company is in the process of identifying the supplier, if any, covered under the Micro and Small enterprise as defined under Micro, Small and Medium Enterprise Development Act, 2006. Due to non-availability of data, the details required have not been furnished.

**c) Employee Benefits :**

**• Defined benefit plan:**

The Company recognizes the liability towards the total liability of gratuity during current period of balance sheet date of Rs. 4,85,719/-. The company has provided retirement benefit payable to employees on the basis of actuarial valuation and details of actuarial valuation are as under:

a) On Normal retirement/ early retirement/ withdrawal/resignation:

As per the provisions of Payment of Gratuity Act, 1972 with vesting period of 5 years of service.

b) On death in service:

As per the provisions of Payment of Gratuity Act, 1972 without any vesting period.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity and leave encashment were carried out at **31<sup>st</sup> March, 2018** by an actuary.

The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

The following table sets out the status of the gratuity plan and the amounts recognized in the Company's financial statements as at **31<sup>st</sup> March, 2018**.

**d) Basic and diluted earnings per share (EPS) is calculated as under:**

<b>Particulars</b>	<b>For the Period ended on 31/03/2018 (Rs.)</b>	<b>For the Period ended on 31/03/2017 (Rs.)</b>
Total Numbers of Op Eq. Shares	9101859	5814660
Issued During the Year	-	3287199
Buy back During the Year	-	-
Weighted Average Numbers of Eq. Shares	9101859	7592023
Earnings After Tax	17869162	10636896
Basic Earnings Per Share	1.96	1.40
Diluted Earnings Per Share	1.96	1.40



e) **Related Party Disclosures: (As Required By AS 18)**

Sr. No.	Name of Related Party	Nature of Relationship	Nature of Transactions	Amount of Transaction	
				For the Period ended on 31/03/2018 (Rs.)	For the Period ended on 31/03/2017 (Rs.)
1	Aneree corporation	Associate Firm	SALES/JOB WORK	17,35,129.00	40,81,553.00
			PURCHASE	0.00	28,74,250.00
2	DD Engg. Corporation	Associate Firm	SALES	0.00	25,46,000.00
			PURCHASE	0.00	00.00
3	Earth Enterprises	Associate Firm	SALES/JOB WORK	2,74,44,343.00	7,32,65,634.00
			PURCHASE & JOB WORK	1,04,86,709.00	5,06,61,701.00
4	Devang Enterprise	Associate Firm	SALES	0.00	19,43,500.00
5	Anron Metalisers P Ltd	Associate Firm	SALES	12,99,200.00	60,97,724.00
6	Dhirendra Vora	Father of Director	EXPENSES	0.00	00.00
7	B. D. Vora	M D	Repayment of Loan/ (Acceptance of Loan)	11,30,000.00	51,25,000.00
			Director Remuneration	18,00,000.00	18,00,000.00
8	D D Vora	Director	Repayment of Loan/ (Acceptance of Loan)	(2,42,580.00)	(15,25,000.00)
			Director Remuneration	3,00,000.00	3,00,000.00

f) **Transactions in Foreign currencies on account of:**

Sr. No.	Particulars	For the Period ended on 31/03/2018 (Rs.)	For the Period ended on 31/03/2017 (Rs.)
1	Travelling Expenses	3,72,558/-	3,97,278/-
2	Exports of Goods (FOB Value)	6,61,42,053/-	4,25,33,505/-
3	Import of Goods (CIF Value)	2,09,43,080/-	95,69,789/-
4	Import of Capital Goods (CIF Value)	29,30,089/-	26,84,321/-



**Advance Syntex Limited - Annual Report 2017-18**

- g) The value of realization of Current Assets in the ordinary course of business will not be less than the value at which they are stated in the Balance Sheet.
- h) The balances of Trade Receivable and Trade Payable are subject to confirmation, reconciliation and consequential adjustments, if any.
- i) The company has provided net deferred tax liability in the books of accounts according to the Accounting Standard issued by the ICAI .
- j) Previous year figures are regrouped, reclassified and rearranged wherever necessary.

For, V. J. Amin & Co.,  
Chartered Accountants  
FRNo.100335W

FOR ADVANCE SYNTEX LTD.  
(Earlier Known As Advance Syntex Private Ltd)

(CA Chintankumar J Patel)  
Partner  
Membership No.134028  
Place: Vadodara  
Date: 30/05/2018

Mr. B. D. Vora  
Din: 01613974  
M.D. & CFO

Mrs. D. D. Vora  
Din: 06718711  
Whole Time Director

Shrinali Patel  
Company Secretary



**ADVANCE SYNTEX LIMITED (Earlier Known As Advance Syntex Private Limited)**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**  
**NOTE # 10**

**A. Schedule of Tangible Assets : Following WDV Method**

Particulars	Useful Life of Assets	Gross Block				Depreciation				Net Block	
		As at	Additions	Ded. / Adj.	As at	As at	Additons	Ded./ Adj	As at	31/03/2018	3/31/2017
		01/04/2017			31/03/2018	01/04/2017			31/03/2018		
(i) Tangible Assets :	-										
Computer & Peripherals	3 Yrs	638,695	53,558	-	692,253	604,638	14,048	-	618,686	73,567	34,057
Electrical Installation	10 Yrs	1,454,376	216,254	-	1,670,630	937,828	171,687	-	1,109,515	561,115	516,548
Factory Building	30 Yrs	27,262,532	393,217	-	27,655,749	7,456,868	2,000,136	-	9,457,004	18,198,745	19,805,664
Furniture and Fixture	10 Yrs	862,604	54,450	-	917,054	655,155	68,582	-	723,737	193,317	207,449
Office Equipement	5 Yrs	696,406	183,905	-	880,311	628,455	45,817	-	674,272	206,039	67,951
Plant and Machinery	10 - 15 Yrs	129,759,722	47,837,585	-	177,597,308	64,120,328	19,584,633	-	83,704,961	93,892,347	65,639,394
Vehicle	8-10 Yrs	3,908,677	1,298,966	-	5,207,643	2,248,645	638,375	-	2,887,020	2,320,623	1,660,032
Land	-	3,260,255	-	-	3,260,255	-	-	-	-	3,260,255	3,260,255
Capital Work In Progress	-	-	44,211,246	44,211,246	-	-	-	-	-	-	-
<b>Total</b>		<b>167,843,268</b>	<b>94,249,182</b>	<b>44,211,246</b>	<b>217,881,204</b>	<b>76,651,917</b>	<b>22,523,278</b>	<b>-</b>	<b>99,175,195.00</b>	<b>118,706,009</b>	<b>91,191,351</b>
<b>Previous Years</b>		<b>141,976,236</b>	<b>25,867,032</b>	<b>-</b>	<b>167,843,268</b>	<b>59,413,057</b>	<b>17,238,860</b>	<b>-</b>	<b>76,651,917</b>	<b>91,191,351</b>	<b>82,563,179</b>



**Advance Syntex Limited - Annual Report 2017-18**

**Advance Syntex Limited**

Regd. Office: 233/2 & 238/2, GIDC, Por Ramangamdi, Vadodara, Gujarat – 391243

Telephone: (0265) 2831850, Tel. Fax: (0265) 2831848

E-mail: [info@midasglitter.com](mailto:info@midasglitter.com)

Website: [www.midasglitter.com](http://www.midasglitter.com)

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**ATTENDANCE SLIP**

PLEASE FILL THE ATTENDANCE SLIP AND HAND OVER AT THE ENTRANCE OF THE MEETING VENUE.

Joint shareholders may obtain additional Attendance Slip on request.

L.F.No / D.P.Id & Client Id :

No. of Share(s) held :

Name of Members and :

Address of Member(s) :

I certify that I am a member/proxy for the member of the Company.

I hereby record my presence at the 28<sup>th</sup> Annual General Meeting of the Members of M/s. Advance Syntex Limited will be held on Wednesday, 26<sup>th</sup> September, 2018 at 2.00 p.m. at Plot No. 137, 1st Floor, Por-ramangamdi Industrial Estate Association, GIDC Industrial Estate, Por-Ramangamdi GIDC, Dist. Vadodara – 391243.

**Name of the Member/Proxy**

**Signature of the Member/Proxy**

**Notes:**

1. Members/Proxy holders are requested to bring their copies of the Annual Report with the Meeting.
2. Please carry with you this Attendance Slip and hand over the same duly signed at the space provided at the entrance of the Meeting Hall.



**Advance Syntex Limited - Annual Report 2017-18**

**Advance Syntex Limited**

Regd. Office: 233/2 & 238/2, GIDC, Por Ramangamdi, Vadodara, Gujarat – 391243

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E-mail: info@midasglitter.com

Website: [www.midasglitter.com](http://www.midasglitter.com)

**PROXY FORM**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014

Name of the members	
Registered Address	
Email ID	
Folio No. / Client ID	
DP ID / L.F.No.	

I/We being a member / members of \_\_\_\_\_ shares of the above named company, hereby appoint

- 1) .....of.....having email id .....or failing him
- 2) .....of.....having email id .....or failing him
- 3) .....of.....having email id .....

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 28<sup>th</sup> Annual General Meeting of the Members of M/s. Advance Syntex Limited to be held on Wednesday, 26<sup>th</sup> September, 2018 at 2.00 p.m. at Plot No. 137, 1<sup>st</sup> Floor, , GIDC Industrial Estate, Por-Ramangamdi GIDC, Dist. Vadodara – 391243 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolutions		For	Against
1.	To adopt Audited Financial Statements of the Company for the year ended March 31, 2018 together with the Reports of the Board of Directors and Auditors thereon.		
2.	To appoint a Director in place of Mr. Nandishkumar Vinodray Gandhi (DIN 00284688) who retires by rotation and being eligible, offers himself for re-appointment		
3.	To appoint a Director in place of Mr. Praful Ramanlal Pandya (DIN 03381212) who retires by rotation and being eligible, offers himself for re-appointment		
4.	Re Appointment of Auditors.		

Signed..... Day of September 2018

\_\_\_\_\_  
Signature of shareholder

\_\_\_\_\_  
Signature of shareholder

\_\_\_\_\_  
Signature of shareholder

Affix  
Re.1  
Revenue  
Stamp

\_\_\_\_\_  
Signature of 01<sup>st</sup> proxy holder

\_\_\_\_\_  
Signature of 2<sup>nd</sup> proxy holder

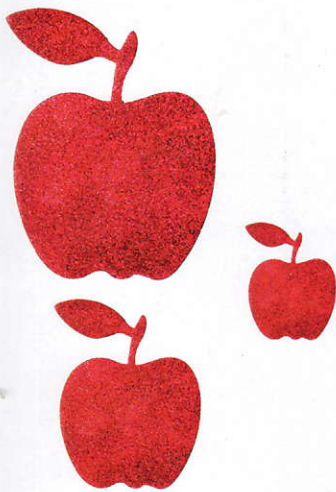
\_\_\_\_\_  
Signature of 03<sup>rd</sup> proxy holder

**Notes:**

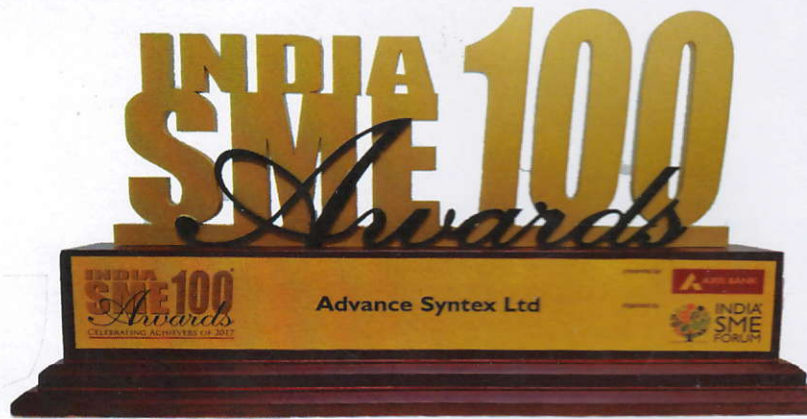
1. The proxy form in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. It is optional to indicate your preference. If you leave the “For” or “Against” column blank against any or all resolutions, you proxy will be entitled to vote in the manner as he/she may deem appropriate.
3. Your proxy will be entitled to vote (on a poll) in the manner as he/she may deem appropriate at 28<sup>th</sup> Annual General Meeting of the Members of M/s. Advance Syntex Limited to be held on Wednesday, 26<sup>th</sup> September, 2018 at 2.00 p.m. at Plot No. 137, 1<sup>st</sup> Floor, Por-ramangamdi Industrial Estate Association, GIDC Industrial Estate, Por-Ramangamdi GIDC, Dist. Vadodara – 391243 or at any adjournment thereof.











**Advance Syntex Ltd.**

233/2 - 238/2, G.I.D.C. POR, RAMANGAMDI, DIST. VADODARA-391243 GUJARAT

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