



INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SYNERGY FILMS PRIVATE LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying Standalone Financial Statements of **Synergy Films Private Limited** ('the Company'), which comprise the Balance Sheet as at 31st March 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

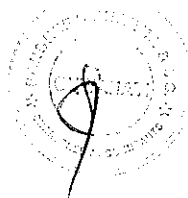
Management's Responsibility for the Standalone Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these Standalone Financial Statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Financial Statements are free from material misstatement.



An audit involves performing procedures to obtain audit evidence about the amounts and the 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 Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Financial Statements.

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

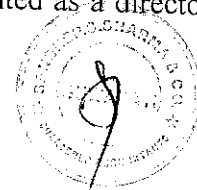
Opinion

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:

- (i) in the case of the Balance sheet, of the state of affairs of the company as at March 31, 2016;
- (ii) in the case of the Statement of Profit and Loss, of the **profit** for the year ended on that date; and
- (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

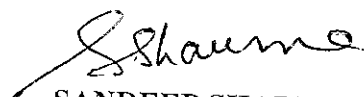
Report on Other Legal and Regulatory Requirements

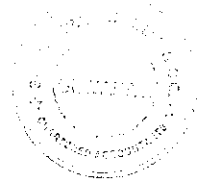
1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**" Statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) in our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) on the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act;



- (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure 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:
1. The Company does not have any pending litigation which would impact its Financial position.
 2. The Company did not have any long-term contract including derivative contracts for which there were any material foreseeable losses.
 3. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.

For SANDEEP S. SHARMA & CO
Chartered Accountants
Firm ICAI Registration No. 326114E


SANDEEP SHARMA
Proprietor
Membership No. 062857



Place: Guwahati
Date: 09th May, 2016.

Annexure-A to the Independent Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the Standalone Financial Statements for the year ended 31st March 2016, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) (a) As explained to us, inventories have been physically verified by the management at reasonable intervals during the current year. No material discrepancy was noticed on physical verification of stocks by the management as compared to book stock.
- (iii) According to the information and explanations given to us and on the basis of our examination of the books of accounts, the Company has not granted loans, secured or unsecured to Companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act') during the year. Hence paragraphs of clause (iii)(a)(b) and (c) are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not granted loans, Investments, guarantees and securities under the provisions of section 185 and 186 of the Act.
- (v) The Company has not accepted any deposits from the public during the year. Accordingly, the provision of clause 3(v) of the Order is not applicable to the Company.
- (vi) Provisions relating to the maintenance of cost records under subsection (1) of Section 148 of the Companies Act, 2013 are not applicable to the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of Excise, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.



(xvi)

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

For SANDEEP S. SHARMA & CO
Chartered Accountants
Firm ICAI Registration No. 326114E



SANDEEP SHARMA

Proprietor

Membership No. 062857



Place: Guwahati

Date: 09th May, 2016.

Annexure – B to the Independent 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 **Synergy Films Private Limited** ("the Company") as of 31st March, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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



Meaning of Internal Financial Controls over Financial Reporting

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


Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2016, based on the information and explanation of the Company provided to us, Internal Control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit on Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **SANDEEP S. SHARMA & CO**
Chartered Accountants
Firm ICAI Registration No. 326114E



SANDEEP SHARMA
Proprietor
Membership No. 062857



Place: Guwahati
Date: 09th May, 2016.

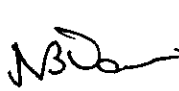

SYNERGY FILMS PRIVATE LIMITED
BALANCE SHEET AS AT 31 MARCH, 2016

Particulars	Note No.	As at 31 March, 2016	As at 31 March, 2015
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	11,953,600	11,953,600
Reserves and surplus	4	(18,699,385)	(24,698,005)
		(6,745,785)	(12,744,405)
Non-current liabilities			
Long-term borrowings	5	43,124,064	42,833,429
Current liabilities			
Short-term borrowings	6	6,346,029	7,134,186
Trade payables	7	15,488,290	11,554,959
Other current liabilities	8	485,028	4,290,310
		22,319,347	22,979,455
TOTAL		58,697,626	53,068,479
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	9	21,462,074	23,408,025
Long-term loans and advances	10	721,950	319,402
Current assets			
Inventories	11	20,205,947	11,697,923
Trade receivables	12	11,622,670	14,394,576
Cash and cash equivalents	13	1,520,842	809,204
Short-term loans and advances	14	2,982,636	2,230,530
Other current assets	15	181,507	208,820
		36,513,602	29,341,052
TOTAL		58,697,626	53,068,479
See accompanying notes forming part of the financial statements Notes No. 1 to 31			

In terms of our report attached.
For **SANDEEP S SHARMA & CO**
Chartered Accountants


SANDEEP SHARMA
Proprietor
M.N.-062857
FRN No-326114E

For and on behalf of the Board of Directors

 
Mr. N. B. Desai Mr. M. D. Desai
Director Director

Place : Guwahati
Date : 9 MAY 2016

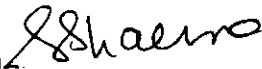
Place : Valsad
Date : 05-05-2016

SYNERGY FILMS PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2016

	Note No.	For the year ended 31 March, 2016	For the year ended 31 March, 2015
Income			
Revenue from operations	16	124,589,420	114,061,234
Other income	17	61,305	197,181
Total Revenue		124,650,725	114,258,415
Expenses			
Cost of materials consumed	18	101,294,410	97,616,588
Changes in inventories of finished goods, work-in-progress and stock-in-trade	19	297,925	(896,616)
Employee benefits expense	20	3,094,849	2,917,439
Other expenses	21	8,870,415	7,916,776
Total		113,557,599	107,554,187
Earnings before interest, tax, depreciation and amortisation (EBITDA)		11,093,126	6,704,228
Finance costs	22	1,646,299	2,453,000
Depreciation and amortisation expense		3,459,255	3,302,592
Profit/(Loss) before tax		5,987,572	948,636
Tax expense:		-	-
PROFIT/(LOSS) FOR THE YEAR		5,987,572	948,636
See accompanying notes forming part of the financial statements - Notes No. 1 to 31			

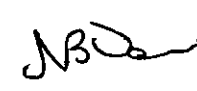
In terms of our report attached.

For **SANDEEP S SHARMA & CO**
Chartered Accountants


SANDEEP SHARMA
Proprietor
M.N.-062857
FRN No-326114E



For and on behalf of the Board of Directors


Mr.N.B.Desai
Director


Mr M.D.Desai
Director

Place : Guwahati
Date : 9 MAY 2016

Place : Valsad
Date : 05-05-2016

SYNERGY FILMS PRIVATE LIMITED
Cash Flow Statement for the year ended 31 March, 2016

Particulars	For the year ended 31 March, 2016		For the year ended 31 March, 2015	
	Amount in Rs		Amount in Rs	
A. Cash flow from operating activities				
Net Profit / (Loss) before extraordinary items and tax		5,957,572		948,636
<u>Adjustments for:</u>				
Depreciation and amortization	3,448,208		3,291,552	
(Profit) / loss on sale / write off of assets			-	
Finance costs	1,545,299		2,453,000	
Interest income & Other Non-operating Incomes	(61,305)		(197,181)	
Liabilities / provisions no longer required written back			-	
Provision for doubtful trade and other receivables, loans and advances			-	
Preliminary Expenses	11,047		11,040	
Operating profit / (loss) before working capital changes		5,044,249		5,558,411
<u>Changes in working capital:</u>				
<u>Adjustments for (increase) / decrease in operating assets:</u>				
Inventories	(8,508,024)		862,341	
Trade receivables	2,774,905		3,657,091	
Short-term loans and advances	(752,106)		(1,171,652)	
Long-term loans and advances	(402,548)		436,008	
Other current assets	27,313		(73,250)	
<u>Adjustments for increase / (decrease) in operating liabilities:</u>				
Trade payables	3,933,331		(10,741,942)	
Other current liabilities	(3,805,282)		(3,068,071)	
Short-term provisions			-	
Long-term provisions			-	
		(6,735,411)		(10,099,475)
		4,296,410		(3,592,428)
Cash generated from operations		4,296,410		(3,592,428)
Net income tax (paid) / refunds				-
Net cash flow from / (used in) operating activities (A)		4,296,410		(3,592,428)

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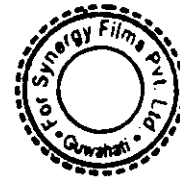
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SYNERGY FILMS PRIVATE LIMITED
Cash Flow Statement for the year ended 31 March, 2016

Particulars	For the year ended 31 March, 2016		For the year ended 31 March, 2015	
	Amount in Rs.		Amount in Rs.	
B. Cash flow from investing activities				
Capital expenditure on fixed assets, including capital advances	(1,502,256)		(1,667,021)	
Proceeds from sale of fixed assets			-	
Proceeds from Capital Subsidy			4,662,329	
Interest received				
- Others	61,307		197,181	
		(1,440,951)		3,192,489
		(1,440,951)		3,192,489
Net cash flow from / (used in) investing activities (B)		(1,440,951)		3,192,489

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SYNERGY FILMS PRIVATE LIMITED
Cash Flow Statement for the year ended 31 March, 2016

Particulars	For the year ended 31 March, 2016 Amount in Rs.		For the year ended 31 March, 2015 Amount in Rs.	
	C. Cash flow from financing activities			
Proceeds from long-term borrowings	290,636		(4,542,063)	
Repayment of long-term borrowings	(788,157)		-	
Repayment of other short-term borrowings	(1,646,299)		6,947,958	
Finance cost			(2,453,000)	
		(2,143,821)		(47,105)
Net cash flow from / (used in) financing activities (C)		(2,143,821)		(47,105)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		711,638		(447,044)
Cash and cash equivalents at the beginning of the year		809,204		1,256,247
Cash and cash equivalents at the end of the year		1,520,842		809,204
Cash and cash equivalents at the end of the year Comprises :				
(a) Cash on hand		452,753		540,488
(b) Balances with banks				
(i) In current accounts		122,989		253,716
(ii) In EEFC accounts				-
(iii) In deposit accounts (As Margin against Letter of Credit)		945,100		15,000
		1,520,842		809,204

Notes:

- The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard - 3 "Cash Flow Statement" issued by the Institute of Chartered Accountants of India
- The previous year's figures have been regrouped/ restated wherever necessary to conform to this year's classification.

In terms of our report attached.
For **SANDEEP S SHARMA & CO.**
Chartered Accountants


SANDEEP SHARMA
Proprietor
M.N - 062857
FRN No-326114E



For and on behalf of the Board of Directors


Mr. N.B Desai
Director

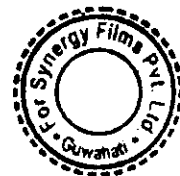

Mr. M.D Desai
Director

Place : Guwahati

Date : 9 MAY 2016

Place : Valsad

Date : 05-05-2016



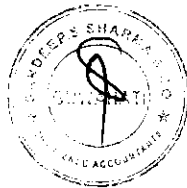
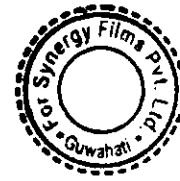
Synergy Films Pvt. Ltd.
Notes on Financial Statements for the Year ended 31st March, 2016

NOTES FORMING PART OF THE ACCOUNTS

1 Corporate Information

Synergy Films Private Limited is a Private Limited Company, domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is engaged in the business of manufacturing, processing and selling of Co-extruded Plastic Film. The principal place of business of the company is at Kalapahar Industrial Area Guwahati.

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Synergy Films Private Limited
Notes on Financial Statements for the Year ended 31st March, 2016

NOTES FORMING PART OF THE ACCOUNTS

NOTE NO 2 :Summary of Significant Accounting Policies

i) Basis of Accounting

Financial Statements are prepared under historical cost convention on accrual basis of accounting and in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India and referred to in Section 133 of the Companies Act, 2013.

ii) Use of Estimates

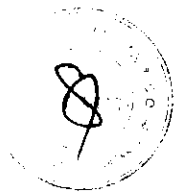
The presentation of Financial Statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognised in the period in which the results are known/materialised.

iii) Revenue Recognition

- a. Domestic Sales are recognised when goods are dispatched. Sales are accounted net of amount recovered towards Excise duty, Central Sales tax and Value added tax.
- b. Sales rejections are accounted on actual receipt of rejected goods/settlement of claims.
- c. Price differences are accounted on actual settlement with the parties.
- d. Insurance and other claims are accounted on cash basis.

iv) Fixed Assets & Depreciation

- a. Fixed Assets are stated at cost of acquisition or construction less accumulated depreciation.
- b. Depreciation is provided based on useful life of assets as prescribed by schedule II to the Companies Act, 2013.
- c. Depreciation on additions / deletions to fixed assets is provided prorata from the date of addition / deletion.



Synergy Films Private Limited
Notes on Financial Statements for the Year ended 31st March, 2016

v) Machinery Spares

Machinery spares other than stand-by spares are charged to Profit & Loss Account as and when consumed. Machinery spares in the nature of stand - by equipments/ spares are capitalised and depreciated over the useful life of the principal item.

vi) Borrowing Costs

Borrowing costs directly attributable to the acquisition or construction of fixed assets are capitalised as part of the cost of the assets, upto the date the asset is put to use. Other borrowing costs are charged to the Profit and Loss Account in the year in which they are incurred.

vii) Employee Benefits

Short term employees benefits

All employees benefits payable wholly within 12 months of rendering service are classified as short term employees benefits. Benefits such as salaries, wages and short term compensated absences etc. and the expected cost of bonus/ex-gratia are recognised in the period in which the payment is made to the employee.

Defined Contribution Plans

Employee's Family Pension :

The Company has Defined Contribution Plan for Post-employment benefits in the form of family pension for all eligible employees, which is administered by the Regional Provident Fund Commissioner and is charged to revenue every year. Company has no further obligation beyond its monthly contributions.

Provident Fund :

The Company has Defined Contribution Plan for Post-employment benefits in the form of Provident Fund for all eligible employees; which is administered by the Regional Provident Fund Commissioner and is charged to revenue every year. Company has no further obligations beyond its monthly contributions.



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Synergy Films Private Limited
Notes on Financial Statements for the Year ended 31st March, 2016

Defined Benefit Plans

Gratuity :

Liability for Payment of Gratuity is accounted in the year in which payment is made.

Compensated Absences :

Liability for Compensated Absences is accounted in the year in which payment is made.

Termination Benefits

Termination benefits are recognised as expense immediately

viii) Cenvat Credit

Cenvat credit available on purchase of services / materials / capital goods is accounted by reducing cost of services / materials / capital goods. Cenvat credit availed of is accounted by way of adjustment against Excise duty payable on dispatch of finished goods.

ix) Taxation

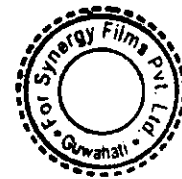
Current tax

In view of losses no provision of Income Tax has been made.

x) Provisions/ Contingencies

The Company recognises a provision when there is a present obligation as result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure for a Contingent liability is made when there is a present obligation that may, but probably will not, require a outflow of resources. When there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure as specified in Accounting Standard 29 - 'Provisions, Contingent Liabilities and Contingent Assets, is made. Contingent Assets are neither recognised nor disclosed, in the financial statements.

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Synergy Films Private Limited
Notes on Financial Statements for the Year ended 31st March, 2016

xi) Valuation of Stock

The mode of valuing closing stock is as under:

- Raw-Materials and Packing Materials - at Cost.
- Finished Goods - at lower of Cost or market value.
- Semi-Finished Goods - at lower of Cost or market value.

The cost for the purpose of valuation of Finished and Semi - Finished goods is arrived at on FIFO basis and includes Cost of conversion and other cost incurred in bringing the inventories to their present location and condition. Due allowance is estimated and made for defective and obsolete items, wherever necessary, based on the past experience of the company.

- Machinery Spares, Ink and Fuel - at cost.
- Scrap - at market value.

xii) Lease

For Land and Premises taken on lease, lease rentals payable are charged to revenue



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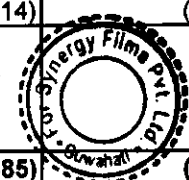
Synergy Films Pvt. Ltd.
Notes on Financial Statements for the Year ended 31st March, 2016

NOTE NO. 3 : SHARE CAPITAL

Particulars	As at 31 March, 2016	As at 31 March, 2015
Authorised 15,00,000 Equity shares of ` 10/- each	15,000,000	15,000,000
Issued subscribed and fully paid up 11,95,360 Equity shares of ` 10/- each fully paid up with Voting right.	11,953,600	11,953,600
Company has only one class of equity shares having a Par Value of Rs. 10/- per share. Each shareholder is eligible for one vote per share.		
The Reconciliation of the Number of Shares outstanding is set out below :		
	31/03/16	31/03/15
	<u>No. of Shares</u>	<u>No. of Shares</u>
Equity Shares outstanding at the beginning of the year	1,195,360	1,195,360
	11,953,600	11,953,600
Add : Fresh issue during the year	--	--
Less : Buy back during the year	--	--
Equity Shares outstanding at the end of the year	1,195,360	1,195,360
	11,953,600	11,953,600
Details of share holders holding more than 5 % shares		
Name of Shareholders	No. of Shares	
	31.03.2016	31.03.2015
	%	%
Ecoplast Ltd.	11,95,360 100	11,95,360 100
Total Shares	<u>11,95,360 100</u>	<u>11,95,360 100</u>
TOTAL	11,953,600	11,953,600

NOTE NO. 4 : RESERVES AND SURPLUS

Particulars	As at 31 March, 2016	As at 31 March, 2015
Securities premium account 11,73,200 Equity shares of Rs. 10/- each issued at a Premium of Rs. 2/- per Share.	2,346,400	2,346,400
Capital Reserve Central Capital Subsidy	4,662,329	4,662,329
(Deficit) in Statement of Profit and Loss		
Opening Deficit	(31,695,687)	(32,641,276)
Less/Add : Depreciation charge in respect of assets where useful life has expired	-	(3,047)
Profit/(Loss) for the year	5,987,572	948,636
	(25,708,114)	(31,695,687)
Preliminary Expenses (To the extent not written off)	-	(11,047)
TOTAL	(18,699,385)	(24,698,005)



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Synergy Films Pvt. Ltd.
Notes on Financial Statements for the Year ended 31st March, 2016

NOTE NO. 5 : LONG TERM BORROWINGS

Particulars	As at 31 March, 2016	As at 31 March, 2015
Loans and advances from related party - Unsecured		
Interest Free Loan from Holding Company	37,218,771	37,218,771
Loans and advances from Others - Unsecured		
Inter Corporate Deposit Interest (@ 9.5% p.a).	5,669,738	5,280,538
The repayment of these Loans will be mutually decided based on recovery of past losses.		
Car Finance under H.P. Agreement-Unsecured	235,555	334,120
Loan carry interest @ 10.25% p.a., repayable by 31/03/2019 in 60 monthly installments of Rs. 10,896/- each.		
TOTAL	43,124,064	42,833,429

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NOTE NO. 6 : SHORT TERM BORROWING

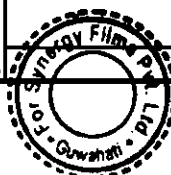
Particulars	As at 31 March, 2016	As at 31 March, 2015
Loans repayable on demand - Secured		
From Bank		
Bank of Baroda Cash Credit	6,346,029	7,134,186
B O B	6,346,029	7,134,186
Secured by :-		
(i) 1st Charge by way of Hypothecation of entire stock of raw materials, stock-in-process, stores and spares, packing materials, finished goods and Book Debts both present and future.		
(ii) 1st charge by way of equitable mortgage of lease hold rights of the Land at Kalapahar Industrial Area together with factory building structure constructed thereon and 1st charge by way of hypothecation of all Plant and Machineries and other movable assets.		
(iii) Corporate gurantees of Ecoplast Ltd. personal gurantees of Mr. J. B. Desai, Managing Director of Ecoplast Ltd. (Holding Company)		
(iv) This Cash credit facility carry interest @ 13.25 % p.a.		
TOTAL	6,346,029	7,134,186

NOTE NO.7 : Trade Payable

Particulars	As at 31 March, 2016	As at 31 March, 2015
Trade Payable		
Holding Copnany	4,008,464	5,827,922
Others	11,479,826	5,727,037
TOTAL	15,488,290	11,554,959

NOTE NO. 8 : OTHER CURRENT LIABILITIES

Particulars	As at 31 March, 2016	As at 31 March, 2015
Current maturities of Long Term Debt - NEDFi	-	3,055,000
Current maturities of Long Term Debt -BOB	-	1,000,000
Statutory Dues Payable	176,726	99,415
Advances against orders	210,575	7,621
Car Loan Instalments	97,727	87,150
Interest Payable NEDFI Term Loan	-	41,124
TOTAL	485,028	4,290,310

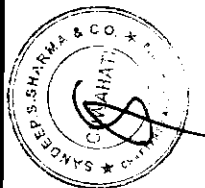


SYNERGY FILMS PRIVATE LIMITED

Notes on Financial Statements for the Year ended 31st March, 2016

NOTE NO. 9 : FIXED ASSETS (Figures in brackets represents previous year figure)

	Gross block			Accumulated depreciation and impairment			Net Block		
	Balance as at 1 April, 2015	Additions	Deduction	Balance as at 31 March, 2016	Balance as at 1st April, 2015	Depreciation / for the year	Balance as at 31 March, 2016	Balance as at 31 March, 2015	
Tangible assets Owned									
Buildings	10,858,795 (10,858,795)	-	-	10,858,795 (10,858,795)	2,511,916 (2,172,614)	339,302 (339,302)	2,851,218 (2,511,916)	8,007,577 (8,346,879)	8,346,879 (8,686,181)
Plant and Equipment	23,195,496 (21,550,975)	1,502,258 (1,644,521)	-	24,697,754 (23,195,496)	8,835,093 (6,034,089)	2,954,609 (2,797,955)	11,789,702 (8,832,044)	12,908,052 (14,363,452)	14,360,404 (15,516,886)
Furniture and Fixtures	94,272 (94,272)	-	-	94,272 (94,272)	47,392 (33,238)	14,155 (14,154)	61,547 (47,392)	32,725 (46,880)	46,880 (61,034)
Vehicales	716,165 (716,165)	-	-	716,165 (716,165)	141,841 (7,213)	134,629 (134,628)	276,470 (141,841)	439,695 (574,324)	574,324 (708,952)
Computer	157,537 (157,537)	-	-	157,537 (157,537)	155,405 (155,405)	-	155,405 (155,405)	2,132 (2,132)	2,132 (2,132)
Vehicales	2,770 (2,770)	-	-	2,770 (2,770)	1,113 (1,113)	-	1,113 (1,113)	1,657 (1,657)	1,657 (1,657)
C C T V	38,000 (38,000)	-	-	38,000 (38,000)	2,704 (134)	2,569 (2,569)	5,273 (2,703)	32,727 (35,297)	35,296 (37,866)
Air Conditioner	45,500 (23,000)	-	-	45,500 (45,500)	5,049 (2,105)	2,944 (2,944)	7,993 (5,049)	37,507 (40,451)	40,451 (20,895)
TOTAL	35,108,535	1,502,258	-	36,610,793	11,700,513	3,448,208	15,148,721	21,462,072	23,408,023
Previous year	(33,441,514)	(1,667,021)	-	(35,108,535)	(8,405,911)	(3,291,551)	(11,697,463)	(23,408,025)	(25,035,603)



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Synergy Films Pvt. Ltd.
Notes on Financial Statements for the Year ended 31st March, 2016

NOTE NO. 10 : LONG TERM LOANS AND ADVANCES UNSECURED CONSIDERED GOOD

Particulars	As at 31 March, 2016	As at 31 March, 2015
Capital advances	-	8,460
Security deposits	721,950	310,942
TOTAL	721,950	319,402

NOTE NO. 11 : INVENTORY

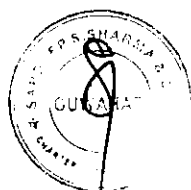
Particulars	As at 31 March, 2016	As at 31 March, 2015
Raw Materials	12,863,318	10,174,380
Packing Materials	606,354	381,732
Semi Finished Goods	840,415	1,138,340
Stores and Spares	3,200	3,471
Raw Material In Transit	5,892,660	-
TOTAL	20,205,947	11,697,923

NOTE NO. 12 : TRADE RECEIVABLE UNSECURED CONSIDERED GOOD

Particulars	As at 31 March, 2016	As at 31 March, 2015
Over six months	2,207,783	2,197,010
Others	9,414,887	12,197,566
TOTAL	11,622,670	14,394,576

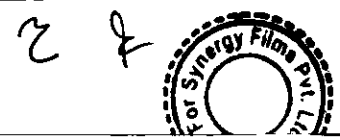
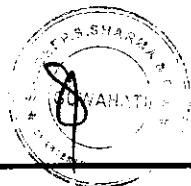
NOTE NO. 13 : CASH AND CASH EQUIVALENTS

Particulars	As at 31 March, 2016	As at 31 March, 2015
Cash on hand	452,753	540,488
Balances with banks		
(i) In current accounts	122,989	253,716
(ii) In Fixed Deposit Account (As Margin Money for Letter of Credit.)	945,100	15,000
TOTAL	1,520,842	809,204



Synergy Films Pvt. Ltd.
Notes on Financial Statements for the Year ended 31st March, 2016

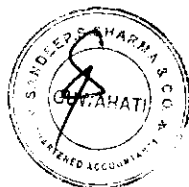
NOTE NO. 14 : SHORT TERM LOANS AND ADVANCES		
Particulars	As at 31 March, 2016	As at 31 March, 2015
Loans and advances to employees Unsecured, considered good	50,500	31,500
Prepaid expenses - Unsecured, considered good.	155,033	147,019
Balances with Central Excise / VAT Authorities	1,549,468	1,444,386
Income Tax Refunds Due	240,496	148,535
Advance to Trade Payable	987,139	459,090
TOTAL	2,982,636	2,230,530
NOTE NO. 15 : OTHER CURRENT ASSETS		
Particulars	As at 31 March, 2016	As at 31 March, 2015
Interest Accrued on Fixed Deposits with-Bank of Baroda	8,192	5,959
Discount Receivable	113,205	142,751
Interest Receivable-APDCL-Electrical Security Deposit	60,110	60,110
TOTAL	181,507	208,820
NOTE NO. 16 : REVENUE FROM OPERATORS		
Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
Sale of products	140,364,243	128,020,165
Less : Excise Duty / VAT	15,774,823	13,958,931
	124,589,420	114,061,234
Processing Charges	-	-
TOTAL	124,589,420	114,061,234
Sale of products Comprises :		
<u>Manufactured Goods</u>		
Plastic Films	122,773,132	111,919,998
Others	1,816,288	2,141,236
TOTAL	124,589,420	114,061,234



Synergy Films Pvt. Ltd.
Notes on Financial Statements for the Year ended 31st March, 2016

NOTE NO. 17 : OTHER INCOME		
Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
Interest income	24,634	157,773
Other income	36,671	23,028
Foreign Exchange Rate Difference	-	16,380
TOTAL	61,305	197,181
Interest income Comprises :		
Interest from bank on Fixed Deposits	24,634	28,790
Interest on Deposit with APDCL	-	128,983
Other income -Comprises :		
Sundry Credit Balance written back	34,101	3,716
Discount Received	770	4,074
Sale of Empty Bags	1,800	15,238
Gain on Foreign Currency transactions	-	16,380
TOTAL	61,305	197,181

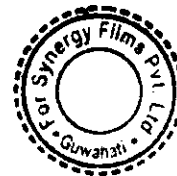
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Synergy Films Pvt. Ltd.
Notes on Financial Statements for the Year ended 31st March, 2016

NOTE NO. 18 : COST OF MATERIAL CONSUMED		
Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
Opening stock	10,556,113	11,701,088
Add: Purchases	104,207,969	96,471,613
Less: Closing stock	114,764,082	108,172,701
Cost of material consumed	13,469,672	10,556,113
Material consumed comprises:		
Poly Granuales	98,469,926	94,307,414
Other Materials	2,824,484	3,309,174
TOTAL	101,294,410	97,616,588
Imported and Indigenous Raw Materials Consumed :	For the year ended 31 March, 2016	For the year ended 31 March, 2015
Raw Materials :		
Imported		
Value	63,144,688	64,777,090
Percentage	62%	66%
Indigenous		
Value	38,149,722	32,839,498
Percentage	38%	34%
Total Value	101,294,410	97,616,588
Total Percentage	100%	100

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Synergy Films Pvt. Ltd.
Notes on Financial Statements for the Year ended 31st March, 2016

NOTE NO. 19 : CHANGES IN IVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
<u>Inventories at the end of the year:</u>		
Finished goods	-	-
Work-in-progress	840,415	1,138,340
	840,415	1,138,340
<u>Inventories at the beginning of the year:</u>		
Finished goods	-	-
Work-in-progress	1,138,340	241,724
	1,138,340	241,724
Net (increase) / decrease	297,925	(896,616)

NOTE NO. 20 : EMPLOYEE BENEFITS EXPENSE

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
Salaries and wages	2,496,701	2,354,649
Contributions to provident and other funds	274,323	263,980
Staff welfare expenses	323,825	298,810
TOTAL	3,094,849	2,917,439

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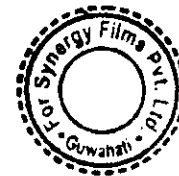
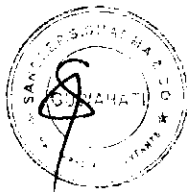
Synergy Films Pvt. Ltd.
Notes on Financial Statements for the Year ended 31st March, 2016

NOTE NO. 21 : OTHER EXPENSES

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
Consumption of stores and spare parts	109,844	27,120
Power and fuel	5,767,074	4,549,581
Rent including lease rentals	68,985	67,956
Repairs and maintenance - Machinery	626,194	615,823
Repairs and maintenance - Others	204,537	42,508
Insurance	166,084	127,346
Rates and taxes	54,560	17,169
Communication	63,752	92,950
Travelling and conveyance	67,376	19,499
Freight and forwarding	721,433	1,583,032
Donations and contributions	5,000	7,051
Legal and professional	200,880	180,940
Audit Fees	20,000	20,000
Miscellaneous expenses	637,004	565,801
Foreign Exchnage Rate Differance	157,692	-
TOTAL	8,870,415	7,916,776

NOTE NO. 22 : FINANCE COSTS

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
Interest Expense	1,292,162	2,112,052
Other borrowing costs	354,137	340,948
Interst Expense paid to Holding Company	-	-
TOTAL	1,646,299	2,453,000



Ecoplast Ltd.
Notes on Financial Statements for the Year ended 31st March, 2016

	For the year ended 31 March, 2016	For the year ended 31 March, 2015
NOTE NO. 23 DEPRECIATION AND AMORTISATION EXPENSES		
Depreciation	3,448,208	3,291,552
Preliminary Expenses written off	11,047	11,040
	3,459,255	3,302,592
 NOTE NO. 24 VALUE OF IMPORTS ON CIF BASIS		
Raw Materials	55,480,488	65,438,527
 NOTE NO. 25 VALUE OF STORES AND SPARES CONSUMED		
Indigenous Value	109,844	27,120
Percentage	100	100
	109,844	27,120
	100	100
 NOTE NO. 26		
Contingent Liabilities not provided for : NIL		
 NOTE NO. 27		
As per the information available with the company, there are no Small Scale Industrial Undertaking as defined under Section 3(3) of the Industries (Development & Regulation) Act 1951 to whom the company owes any sum.		

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SYNERGY FILMS PRIVATE LIMITED

NOTE NO 28 : DISCLOSURES UNDER ACCOUNTING STANDARD AS15

Particulars

Related party transactions

Details of related parties:

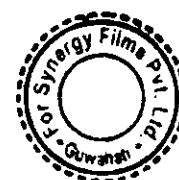
Description of relationship	Names of related parties
Holding Company Key Management Personnel (KMP) Company in which KMP / Relatives of KMP can exercise significant influence	Ecoplast Ltd.

Note: Related parties have been identified by the Management.

Details of related party transactions during the year ended 31 March, 2016 and balances outstanding as at 31 March, 2016

	Holding Company	KMP	Entities in which KMP / relatives of KMP have significant influence	Total
Purchase of goods	34,029,911 (57,241,820)			34,029,911 (57,241,820)
Other	-			-
Interest Paid on Loans	-			-
Purchase of Plant	- (450,000)			- (450,000)
Balances outstanding at the end of the year				
Trade Payables	4,008,464 (5,827,922)			4,008,464 (5,827,922)
Long Term Borrowings	- (37,218,711)			- (37,218,711)

Note: Figures in bracket relates to the previous year



Ecoplast Ltd.
Notes on Financial Statements for the Year ended 31st March, 2016

NOTE NO. 29 DISCLOSURES UNDER ACCOUNTING STANDARD AS 17

Segment Reporting :

The Company's sole business segment is Plastic Films and all activities are incidental to this sole business segment. Given this fact and that the Company services its domestic and export markets from India only, the financial statements reflect the information required by AS - 17 for the sole business segment of Plastic Films. The whole of the business assets are situated in India.

NOTE NO. 30 IMPAIRMENT OF ASSETS - AS 28

As at March 31, 2015, the Company has reviewed the future earnings of all its cash generating assets in accordance with the Accounting Standard 28 "Impairment of Assets". As the carrying amount of assets does not exceed the future recoverable amount, consequently, no adjustment to carrying amount of assets is considered necessary by the management.

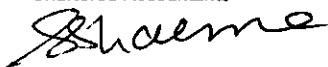
NOTE NO. 31

Previous years figures are regrouped and reclassified wherever found necessary to confirm with current year's figures.

In terms of our report attached.

For **SANDEEP S SHARMA & CO**

Chartered Accountants



SANDEEP SHARMA
Proprietor

M.N.- 062857

FRN No-326114E


Place : Guwahati

Date :

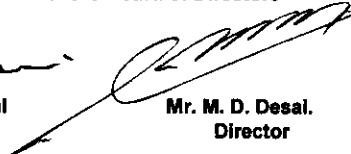
9 MAY 2016



For and on behalf of the Board of Directors



Mr. N. B. Desai
Director



Mr. M. D. Desai.
Director

Place : Valsad

Date : 05-05-2016