



INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SYNERGY FILM 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 2017, 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, 2017;
- (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

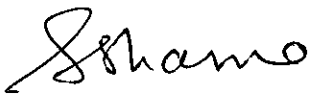
1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**" Statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
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, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 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 pending litigations as disclosed in Note No. 26 of Financial Statements would not impact financial position of the Company.
 2. The Company did not have any long-term contract including derivative contracts for which there were any material foreseeable losses.
 3. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 4. The company has provided requisite disclosures in its Standalone Financial Statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November 2016 to 30 December 2016 and these are in accordance with the books of accounts maintained by the company. Refer Note 27 to the Standalone Financial Statements.

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




SANDEEP SHARMA
Proprietor
Membership No. 062857

Place: Guwahati

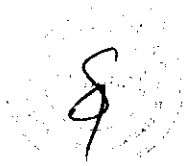
Date: 16-5-2017

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 2017, 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 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, employee's 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.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employee's state insurance, income



tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as at 31 March 2017 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no material dues of sales tax or duty of customs or duty of excise or value added tax or cess which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, the following due of Central Excise Duty has not been deposited by the Company on account of disputes:

Name of the Statute	Nature of dues	Amount in (Rs.)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Central Excise Duty	3,46,567	F.Y.2013-14, 2014-15, 2015-16	Commissioner (Appeals),Custom and Central Excise, (NER), Guwahati.

- (viii) The Company has not defaulted in repayment of loans or borrowings to Financial institutions or banks or government during the year. The Company did not have any outstanding dues of debenture holders.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) According to the information and explanations given to us by the Management, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act,2013 where

applicable and details of such transactions have been disclosed in the Note no.29 of financial statements as required by the applicable accounting standards.

- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (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



S. Sharma
SANDEEP SHARMA
Proprietor
Membership No. 062857

Place: Guwahati
Date: 16-5-2017

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 **Ecoplast Limited** ("the Company") as of 31st March, 2017 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 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 31st March 2017, based on the information and explanation of the Company provided to us, Internal Financial Control framework and the report of the Internal Auditors 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 on Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Guwahati
Date: 16-5-2017



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

SANDEEP SHARMA
Proprietor
Membership No. 062857

**SYNERGY FILMS PRIVATE LIMITED
BALANCE SHEET AS AT 31 MARCH, 2017**

Particulars	Note No.	As at 31 March, 2017	As at 31 March, 2016
		₹	₹
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	11,953,600	11,953,600
Reserves and surplus	4	(10,643,499)	(18,699,385)
		1,310,101	(6,745,785)
Non-current liabilities			
Long-term borrowings	5	43,414,611	43,124,064
Current liabilities			
Short-term borrowings	6	-	6,346,029
Trade payables	7	14,679,962	15,488,290
Other current liabilities	8	532,897	485,028
		15,212,859	22,319,347
TOTAL		59,937,571	58,697,626
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	9	18,108,288	21,462,074
Long-term loans and advances	10	719,550	721,950
Current assets			
Inventories	11	20,188,675	20,205,946
Trade receivables	12	17,641,200	11,622,670
Cash and cash equivalents	13	1,676,910	1,520,842
Short-term loans and advances	14	1,602,949	2,982,636
Other current assets	15	-	181,507
		41,109,734	36,513,602
TOTAL		59,937,571	58,697,626
See accompanying notes forming part of the financial statements Notes No. 1 to 33			

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

S. Sharma

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



For and on behalf of the Board of Directors

N. B. Desai

Mr. N. B. Desai
Director

M. D. Desai

Mr. M. D. Desai.
Director

Place : Guwahati
Date : 16-5-2017

Place : Valsad
Date : 11-05-2017

SYNERGY FILMS PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2017

	Note No.	For the year ended	For the year ended
		31 March, 2017	31 March, 2016
		₹	₹
Income			
Revenue from operations	16	116,568,272	124,591,220
Other income	17	931,574	59,505
Total Revenue		117,499,846	124,650,725
Expenses			
Cost of materials consumed	18	92,239,051	101,294,410
Changes in inventories of finished goods, work-in-progress and stock-in-trade	19	(1,423,585)	297,925
Employee benefits expense	20	4,298,387	3,094,849
Other expenses	21	7,546,138	8,870,415
Total		102,659,991	113,557,599
Earnings before interest, tax, depreciation and amortisation (EBITDA)		14,839,855	11,093,126
Finance costs	22	1,512,493	1,646,299
Depreciation and amortisation expense		3,469,409	3,459,255
Profit for the year		9,857,953	5,987,572
Prior Year Expenses		1,802,067	-
Profit before Tax		8,055,886	5,987,572
Tax expense		-	-
PROFIT FOR THE YEAR		8,055,886	5,987,572
See accompanying notes forming part of the financial statements - Notes No. 1 to 33			

In terms of our report attached.

For SANDEEP S SHARMA & CO
Chartered Accountants

Ssharma

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



Place : Guwahati

Date : 16-5-2017

For and on behalf of the Board of Directors

N.B. Desai

Mr.N.B.Desai
Director

M.D. Desai

Mr M.D.Desai
Director

Place : Valsad

Date : 11-05-2017



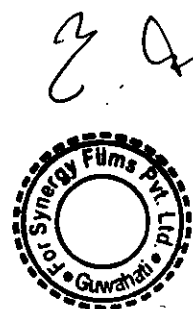
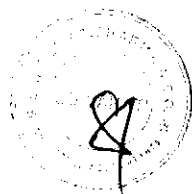
SYNERGY FILMS PRIVATE LIMITED
Cash Flow Statement for the year ended 31 March, 2017

Particulars	For the year ended 31 March, 2017		For the year ended 31 March, 2016	
	Amount in Rs.		Amount in Rs	
A. Cash flow from operating activities				
Net Profit / (Loss) before extraordinary items and tax		8,055,886		5,987,572
<u>Adjustments for:</u>				
Depreciation and amortization	3,469,409		3,448,208	
(Profit) / loss on sale / write off of assets	-		-	
Finance costs	1,512,493		1,646,299	
Interest income & Other Non-operating Incomes	(931,574)		(61,305)	
Preliminary Expenses	-		11,047	
		4,050,328		5,044,249
Operating profit / (loss) before working capital changes		12,106,214		11,031,821
<u>Changes in working capital:</u>				
<u>Adjustments for (increase) / decrease in operating assets:</u>				
Inventories	17,271		(8,508,024)	
Trade receivables	(6,018,529)		2,771,905	
Short-term loans and advances	1,379,687		(752,106)	
Long-term loans and advances	2,400		(402,548)	
Other current assets	181,507		27,313	
<u>Adjustments for increase / (decrease) in operating liabilities:</u>				
Trade payables	(808,329)		3,933,331	
Other current liabilities	47,869		(3,805,282)	
		(5,198,124)		(6,735,411)
		6,908,090		4,296,410
Cash generated from operations		6,908,090		4,296,410
Net income tax (paid) / refunds		-		-
Net cash flow from / (used in) operating activities (A)		6,908,090		4,296,410



SYNERGY FILMS PRIVATE LIMITED
Cash Flow Statement for the year ended 31 March, 2017

Particulars	For the year ended 31 March, 2017		For the year ended 31 March, 2016	
	Amount in Rs.		Amount in Rs	
B. Cash flow from investing activities				
Capital expenditure on fixed assets, including capital advances	(115,623)		(1,502,258)	
Interest received				
- Others	931,576	815,953	61,307	(1,440,951)
		815,953		(1,440,951)
Net cash flow from / (used in) investing activities (B)		815,953		(1,440,951)



SYNERGY FILMS PRIVATE LIMITED
Cash Flow Statement for the year ended 31 March, 2017

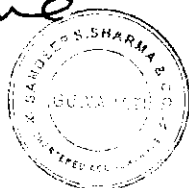
Particulars	For the year ended 31 March, 2017		For the year ended 31 March, 2016	
	Amount in Rs.		Amount in Rs	
C. Cash flow from financing activities				
Proceeds from long-term borrowings	290,547		290,635	
Repayment of other short-term borrowings	(6,346,029)		(788,157)	
Finance cost	(1,512,493)		(1,646,299)	
		(7,567,975)		(2,143,821)
Net cash flow from / (used in) financing activities (C)		(7,567,975)		(2,143,821)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		156,068		711,638
Cash and cash equivalents at the beginning of the year		1,520,842		809,204
Cash and cash equivalents at the end of the year		1,676,910		1,520,842
Cash and cash equivalents at the end of the year Comprises :				
(a) Cash on hand		288		452,753
(b) Balances with banks				
(i) In current accounts		1,661,622		122,989
(ii) In deposit accounts (As Margin against Letter of Credit)		15,000		945,100
		1,676,910		1,520,842

Notes:

- 1 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
- 2 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

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



For and on behalf of the Board of Directors

N.B. Desai
Mr. N.B Desai
Director

M.D. Desai
Mr. M.D Desai
Director

Place : Guwahati
Date : 16-5-2017

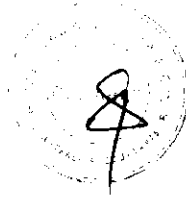
Place : Valsad
Date : 11-05-2017

Synergy Films Pvt. Ltd.
Notes on Financial Statements for the Year ended 31st March, 2017

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.



Synergy Films Private Limited
Notes on Financial Statements for the Year ended 31st March, 2017

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, 2017

v) Machinery Spares

Machinery spares in the nature of replacement are charged to Profit & Loss Account as and when consumed.

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.



Synergy Films Private Limited
Notes on Financial Statements for the Year ended 31st March, 2017

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.



Synergy Films Private Limited
Notes on Financial Statements for the Year ended 31st March, 2017

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



Synergy Films Pvt. Ltd.
Notes on Financial Statements for the Year ended 31st March, 2017

NOTE NO. 3 : SHARE CAPITAL

Particulars	As at 31 March, 2017	As at 31 March, 2016		
	₹	₹		
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 :				
	31/03/17	31/03/16		
	<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		
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			
	31.03.2017	%	31.03.2016	%
Ecoplast Ltd.	11,95,360	100	11,95,360	100
Total Shares	<u>11,95,360</u>	<u>100</u>	<u>11,95,360</u>	<u>100</u>
TOTAL	11,953,600		11,953,600	

NOTE NO. 4 : RESERVES AND SURPLUS

Particulars	As at 31 March, 2017	As at 31 March, 2016
	₹	₹
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	(25,708,114)	(31,695,687)
Profit/(Loss) for the year	8,055,886	5,987,572
	<u>(17,652,228)</u>	<u>(25,708,114)</u>
TOTAL	(10,643,499)	(18,699,385)



Synergy Films Pvt. Ltd.
Notes on Financial Statements for the Year ended 31st March, 2017

NOTE NO. 5 : LONG TERM BORROWINGS		
Particulars	As at 31 March, 2017	As at 31 March, 2016
	₹	₹
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).	6,058,938	5,669,738
The repayment of these Loans will be mutually decided based on recovery of past losses.		
Car Finance under H.P. Agreement-Unsecured	136,902	235,555
Loan carry interest @ 10.25% p.a., repayable by 31/03/2019 in 60 monthly installments of Rs. 10,896/- each.		
TOTAL	43,414,611	43,124,064



Synergy Films Pvt. Ltd.

Notes on Financial Statements for the Year ended 31st March, 2017

NOTE NO. 6 : SHORT TERM BORROWING

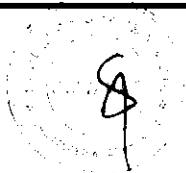
Particulars	As at 31 March, 2017	As at 31 March, 2016
	₹	₹
Loans repayable on demand - Secured		
From Bank		
Bank of Baroda Cash Credit	-	6,346,029
	-	6,346,029
B O B		
Secured by :-		
(i) 1st Charge by way of Hypothecation of entire stock of raw materials, stock-in-process, stores and spares, packing 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 @ 12.40 % p.a.		
TOTAL	-	6,346,029

NOTE NO.7 : Trade Payable

Particulars	As at 31 March, 2017	As at 31 March, 2016
	₹	₹
Trade Payable		
Holding Copnany	4,030,290	4,008,464
Others	10,649,672	11,479,826
TOTAL	14,679,962	15,488,290

NOTE NO. 8 : OTHER CURRENT LIABILITIES

Particulars	As at 31 March, 2017	As at 31 March, 2016
	₹	₹
Statutory Dues Payable	158,950	176,726
Advances against orders	276,220	210,575
Car Loan Instalments	97,727	97,727
TOTAL	532,897	485,028



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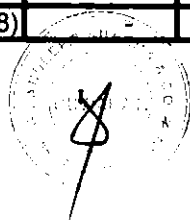


SYNERGY FILMS PRIVATE LIMITED

Notes on Financial Statements for the Year ended 31st March, 2017

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

Tangible assets Owned	Gross block			Accumulated depreciation and impairment			Net Block		
	Balance as at 1 April, 2016	Additions	Deduction	Balance as at 31 March, 2017	Balance as at 1'st April, 2016	Depreciation / for the year	Balance as at 31 March, 2017	Balance as at 31 March, 2017	Balance as at 31 March, 2016
	₹	₹		₹	₹	₹	₹	₹	₹
Buildings	10,858,795 (10,858,795)	-	-	10,858,795 (10,858,795)	2,851,218 (2,511,916)	339,302 (339,302)	3,190,520 (2,851,218)	7,668,275 (8,007,577)	8,007,577 (8,346,879)
Plant and Equipment	24,697,754 (23,195,496)	28,175 (1,502,258)	-	24,725,929 (24,697,754)	11,789,698 (8,835,093)	2,956,395 (2,954,609)	14,746,093 (11,789,702)	9,979,836 (12,908,052)	12,908,056 (14,360,403)
Furniture and Fixtures	94,272 (94,272)	5,000	-	99,272 (94,272)	61,547 (47,392)	18,894 (14,155)	80,441 (61,547)	18,831 (32,725)	32,725 (46,880)
Vehicales	716,165 (716,165)	-	-	716,165 (716,165)	276,470 (141,841)	134,629 (134,629)	411,099 (276,470)	305,066 (439,695)	439,695 (574,324)
Computer	157,537 (157,537)	37,948	-	195,485 (157,537)	155,405 (155,405)	12,017	167,422 (155,405)	28,063 (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)
CCTV	38,000 (38,000)	-	-	38,000 (38,000)	5,273 (2,704)	2,569 (2,569)	7,842 (5,273)	30,158 (32,727)	32,727 (35,296)
Air Conditioner	45,500 (45,500)	44,500	-	90,000 (45,500)	7,993 (5,049)	5,603 (2,944)	13,596 (7,993)	76,404 (37,507)	37,507 (40,451)
TOTAL	36,610,793	115,623	-	36,726,416	15,148,717	3,469,409	18,618,126	18,108,290	21,462,076
Previous year	(35,108,535)	(1,502,258)		(36,610,793)	(11,700,513)	(3,448,208)	(15,148,721)	(21,462,074)	(23,408,022)



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Synergy Films Pvt. Ltd.
Notes on Financial Statements for the Year ended 31st March, 2017

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

Particulars	As at 31 March, 2017	As at 31 March, 2016
	₹	₹
Security deposits	719,550	721,950
TOTAL	719,550	721,950

NOTE NO. 11 : INVENTORY

Particulars	As at 31 March, 2017	As at 31 March, 2016
	₹	₹
Raw Materials	13,496,173	12,863,318
Packing Materials	395,012	606,353
Semi Finished Goods	2,264,000	840,415
Stores and Spares	3,200	3,200
Raw Material In Transit	4,030,290	5,892,660
TOTAL	20,188,675	20,205,946

NOTE NO. 12 : TRADE RECEIVABLE UNSECURED CONSIDERED GOOD

Particulars	As at 31 March, 2017	As at 31 March, 2016
	₹	₹
Over six months	2,207,783	2,207,783
Others	15,433,417	9,414,887
TOTAL	17,641,200	11,622,670

NOTE NO. 13 : CASH AND CASH EQUIVALENTS

Particulars	As at 31 March, 2017	As at 31 March, 2016
	₹	₹
Cash on hand	288	452,753
Balances with banks		
(i) In current accounts	1,661,622	122,989
(ii) In Fixed Deposit Account (As Margin Money for Letter of Credit.)	15,000	945,100
TOTAL	1,676,910	1,520,842



Synergy Films Pvt. Ltd.
Notes on Financial Statements for the Year ended 31st March, 2017

NOTE NO. 14 : SHORT TERM LOANS AND ADVANCES

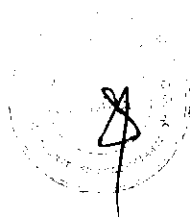
Particulars	As at 31 March, 2017	As at 31 March, 2016
	₹	₹
Loans and advances to employees Unsecured, considered good	18,800	50,500
Prepaid expenses - Unsecured, considered good.	134,050	155,033
Balances with Central Excise / VAT Authorities	284,437	1,549,468
Income Tax Refunds Due	95,206	240,496
Advance to Trade Payable	1,070,456	987,139
TOTAL	1,602,949	2,982,636

NOTE NO. 15 : OTHER CURRENT ASSETS

Particulars	As at 31 March, 2017	As at 31 March, 2016
	₹	₹
Interest Accrued on Fixed Deposits with-Bank of Baroda	-	8,192
Discount Receivable	-	113,205
Interest Receivable-APDCL-Electrical Security Deposit	-	60,110
TOTAL	-	181,507

NOTE NO. 16 : REVENUE FROM OPERATORS

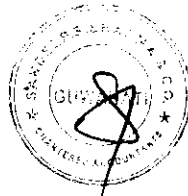
Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
	₹	₹
Sale of products	132,165,455	140,366,043
Less : Excise Duty / VAT	15,597,182	15,774,823
	116,568,273	124,591,220
TOTAL	116,568,272	124,591,220
<u>Manufactured Goods</u>		
Plastic Films	125,305,379	138,220,553
Others	6,860,076	2,145,490
TOTAL	132,165,455	140,366,043



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Synergy Films Pvt. Ltd.
Notes on Financial Statements for the Year ended 31st March, 2017

NOTE NO. 17 : OTHER INCOME		
Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
	₹	₹
Interest income	89,559	24,634
Other income	270,547	34,871
Foreign Exchnage Rate Differance	571,468	-
TOTAL	931,574	59,505
Interest income Comprises :		
Interest from bank on Fixed Deposits	89,559	24,634
Other income -Comprises :		
Sundry Credit Balance written back	217,944	34,101
Discount Received	52,603	770
Gain on Foreign Currency transactions	571,468	-
TOTAL	931,574	59,505



Synergy Films Pvt. Ltd.
Notes on Financial Statements for the Year ended 31st March, 2017

NOTE NO. 18 : COST OF MATERIAL CONSUMED		
Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
	₹	₹
Opening stock	13,469,672	10,556,113
Add: Purchases	92,660,564	104,207,969
	106,130,236	114,764,082
Less: Closing stock	13,891,185	13,469,672
Cost of material consumed	92,239,051	101,294,410
Material consumed comprises:		
Poly Granuales	89,642,099	98,469,926
Other Materials	2,596,952	2,824,484
TOTAL	92,239,051	101,294,410
Imported and Indigenous Raw Materials Consumed :		
	For the year ended 31 March, 2017	For the year ended 31 March, 2016
Raw Materials :		
Imported		
Value	49,023,706	63,144,688
Percentage	53%	62%
Indigenous		
Value	43,215,345	38,149,722
Percentage	47%	38%
Total Value	92,239,051	101,294,410
Total Percentage	100%	100



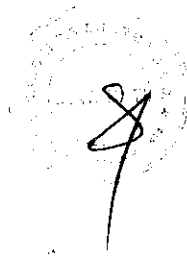
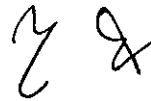
Synergy Films Pvt. Ltd.
Notes on Financial Statements for the Year ended 31st March, 2017

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

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
	₹	₹
<u>Inventories at the end of the year:</u>		
Finished goods	-	-
Work-in-progress	2,264,000	840,415
	2,264,000	840,415
<u>Inventories at the beginning of the year:</u>		
Finished goods	-	-
Work-in-progress	840,415	1,138,340
	840,415	1,138,340
Net (increase) / decrease	(1,423,585)	297,925

NOTE NO. 20 : EMPLOYEE BENEFITS EXPENSE

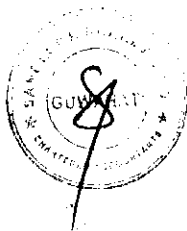
Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
	₹	₹
Salaries and wages	3,556,625	2,496,701
Contributions to provident and other funds	396,714	274,323
Staff welfare expenses	345,048	323,825
TOTAL	4,298,387	3,094,849


Synergy Films Pvt. Ltd.
Notes on Financial Statements for the Year ended 31st March, 2017

NOTE NO. 21 : OTHER EXPENSES		
Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
	₹	₹
Consumption of stores and spare parts	11,027	109,844
Power and fuel	4,719,338	5,767,074
Rent including lease rentals	69,678	68,985
Repairs and maintenance - Machinery	518,918	626,194
Repairs and maintenance - Others	229,483	204,537
Insurance	189,772	166,084
Rates and taxes	182,971	54,560
Communication	70,730	63,752
Travelling and conveyance	79,992	67,376
Freight and forwarding	587,784	721,433
Donations and contributions	1,100	5,000
Legal and professional	177,700	200,880
Audit Fees	20,000	20,000
Miscellaneous expenses	687,645	637,004
Foreign Exchnage Rate Differance	-	157,692
TOTAL	7,546,138	8,870,415

NOTE NO. 22 : FINANCE COSTS		
Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
	₹	₹
Interest Expense	1,121,223	1,292,162
Other borrowing costs	391,270	354,137
TOTAL	1,512,493	1,646,299



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

	For the year ended 31 March, 2017	For the year ended 31 March, 2016		
	₹	₹		
NOTE NO. 23 DEPRECIATION AND AMORTISATION EXPENSES				
Depreciation	3,469,409	3,448,208		
Preliminary Expenses written off	-	11,047		
	3,469,409	3,459,255		
NOTE NO. 24 VALUE OF IMPORTS ON CIF BASIS				
Raw Materials	46,626,169	55,480,488		
NOTE NO. 25 VALUE OF STORES AND SPARES CONSUMED				
Indigenous				
Value	11,027	109,844		
Percentage	100	100		
	11,027	109,844		
	100	100		
NOTE NO. 26 CONTINGENT LIABILITIES AND COMMITMENTS				
(i) On account of Central Excise duty demand under contest	346,567	-		
NOTE NO. 27 : DETAILS OF SPECIFIED BANK NOTES (SBN) HELD AND TRANSACTED DURING THE PERIOD 08/11/2016 TO 30/12/2016				
<p>'During the year, the Company has Specified bank notes, and other denomination note as defined in the MCA notification G.S.R. 308(E) dated March 31,2017 on the details of Specified Bank Notes (SBNs) held and transacted during the period from November 08,2016 to December 30,2016, denomination wise SBNs and other notes as per the notification is given below:-</p>				
Particulars	SBNs	Other Denomination Notes	Total	
Closing Cash in hand as on	91,000	4,828	95,828	
(+) Permitted Receipts		502,519	502,519	
(-) Permitted Payments		(204,625)	(204,625)	
(-) Amount deposited in Bar	(91,000)	(267,745)	(358,745)	
Closing Cash in hand as on	-	34,977	34,977	
<p>For the purpose of this clause, the term 'Specified Bank Notes' shall have same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs, number S.O. 3407(E), dated 08th November,2016.</p>				
NOTE NO. 28 : DISCLOSURE OF DERIVATIVES				
<p>The foreign currency outstanding balances that have not been hedged by any derivative instrument or otherwise as at 31st March, 2017 are as follows :</p>				
	(In '000)			
	31-03-2017		31-03-2016	
Particulars	Amount in Foreign Currency \$	Amount in INR	Amount in Foreign Currency \$	Amount in INR
Assets	NIL	NIL	NIL	NIL
Liabilities	\$34	₹ 2,277	\$29	₹ 1,989
NOTE NO. 29				
<p>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.</p>				



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SYNERGY FILMS PRIVATE LIMITED

NOTE NO 30 : DISCLOSURES UNDER ACCOUNTING STANDARD AS 18

Particulars

Related party transactions

Details of related parties:

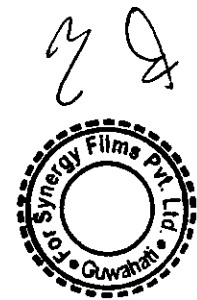
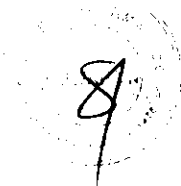
Description of relationship	Names of related parties
Holding Company Key Management Personnel (KMP) Company in which KMP / Relatives of KMP can exercise significant influence	Ecoplast Ltd.

Note: Related parties have been identified by the Management.

Details of related party transactions during the year ended 31 March, 2017 and balances outstanding as at 31 March, 2017

	Holding Company			Total
Purchase of goods	24,144,463 (34,029,911)			24,144,463 (34,029,911)
Sales of Goods	3,315,780			3,315,780
Balances outstanding at the end of the year				
Trade Payables	4,030,290 (4,008,464)			4,030,290 (4,008,464)
Long Term Borrowings	37,218,711 (37,218,711)			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. 31 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. 32 IMPAIRMENT OF ASSETS - AS 28

As at March 31, 2017, 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. 33

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

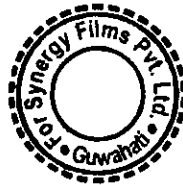
In terms of our report attached.

For SANDEEP S SHARMA & CO
Chartered Accountants



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

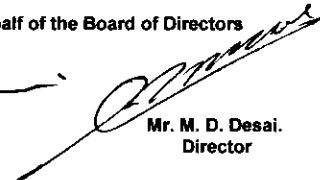
Place : Guwahati
Date **16-5-2017**



For and on behalf of the Board of Directors



Mr. N. B. Desai
Director



Mr. M. D. Desai
Director

Place : Valsad
Date : 11-05-2017