

**AUDIT REPORT  
AND  
AUDITED FINANCIAL STATEMENTS AS ON  
31.03.2016**

OF

**KOLBA FARM FAB PRIVATE LIMITED**

18, Yogikrupa Row House,  
Puna Simada Road, Punagam, Surat - 395010

By

**SIMEDIA & ASSOCIATES**

Chartered Accountants  
10, Office Floor, Parisar Apartment, Sumul Dairy Road,  
Nr.Sardarnagar, SURAT-395008



CA. Gautam N. Simedia  
ISA, FCA, MBA, LL.M., LL.B., B.Com

**SIMEDIA &  
ASSOCIATES**  
Chartered Accountants

Ph : 0261-3913516, 2531572  
gn\_simedia@yahoo.com

## INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF  
KOLBA FARM FAB PRIVATE LIMITED.

### Report on the Financial Statements

We have audited the accompanying financial statements of **KOLBA FARM FAB PRIVATE LIMITED** ("the company"), which comprise the Balance Sheet as at 31 March 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these 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 the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, 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 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 thereunder.

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.



10-11, Office Floor, Parisar Apartment, Nr. Sardar Nagar, Sumul Dairy Road, SURAT - 395 008.

*Gautam N. Simedia*





An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our 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, we consider internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by 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 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;

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2016;
- b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) 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

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 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 appears from our examination of those books (and proper returns adequate for the purposes of our audit have been received from the branches which is also audited by us)
- c) [The reports on the accounts of the branch offices of the Company audited under Section 143(8) of the Act have been prepared by us and have been properly dealt by us in preparing this report]
- d) the Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.[and the returns received from the branches which are prepared by us]
- e) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- f) There is nothing to disclose which is having adverse effect on the functioning of the company.
- g) On the basis of written representations received from the directors as on 31 March, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2016, from being appointed as a director in terms of Section 164(2) of the Act.
- h) With respect to the other matters included in the Auditor's Report and to our best of our information



Raji M. Diabani

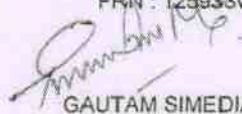
and according to the explanations given to us:

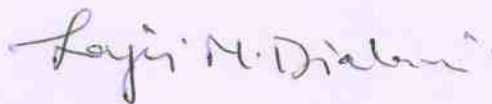
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note XX to the financial statements; [or the Company does not have any pending litigations which would impact its financial position]
- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts – Refer Note XX to the financial statements; [or the Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses]
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company [or, following are the instances of delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company or there were no amounts which required to be transferred]

For SIMEDIA AND ASSOCIATES  
Chartered Accountants  
FRN : 125933W



Date : 28.05.2018  
Place : SURAT

  
GAUTAM SIMEDIA  
(PROPRIETOR)  
M. NO. : 118571

  
Lajin M. Diab



## ANNEXURE TO THE AUDITORS' REPORT

The Annexure referred to in our report to the members of KOLBA FARM FAB PRIVATE LIMITED for the year ended 31<sup>st</sup> March, 2016.

On the basis of the information and explanation given to us during the course of our audit, we report that:

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.  
(b) These fixed assets have been physically verified by the management at reasonable intervals there was no Material discrepancies were noticed on such verification.  
(c) Total Assets of company includes Immovable property also and the title deeds of immovable properties are held in the name of the company.
2. Physical verification of inventory has been conducted at reasonable intervals by the management and there is no material discrepancies were noticed
3. The company has granted loans secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.  
(a) All terms and conditions are as per the benefits of company and are not prejudicial to the company's Interest.  
(b) Schedule of repayment of principal and interest has been stipulated and receipts are regular.  
(c) There is no such amount which is overdue more than 90 Days of above mentioned loan.
4. In respect of loans, investments, guarantees, and security all mandatory provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
5. The company has not accepted any deposits.
6. Maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013. This point is not applicable to the company concern.
7. (a) The company is regular in depositing 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 any other statutory dues to the appropriate authorities.  
(b) Dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax have been deposited on time there is no dispute is pending on the part of company.
8. The company hasn't made any default in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.
9. The company doesn't raise any money by way of initial public offer or further public offer (including debt instruments). This point is not applicable to the company concern.



*Raji M. Dabani*

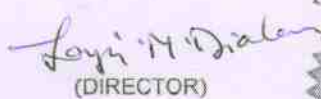
10. Neither company has done any fraud nor by its officers or employees so nothing to be disclosed separately.
11. Managerial remuneration has been paid or provided in accordance with the requisite approvals Mandated by the provisions of section 197 read with Schedule V to the Companies Act. Managerial remuneration is NIL hence this point is not applicable to the company concern.
12. Company is not a Nidhi Company hence nothing to be disclosed for any provisions applicable on Nidhi Company.
13. All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards;
14. The company hasn't made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. This point is not applicable to the company concern.
15. The company hasn't entered into any non-cash transactions with directors or persons connected with him.
16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For KOLBA FARM FAB PRIVATE LIMITED



(DIRECTOR)

Date : 28.05.2016  
Place : SURAT



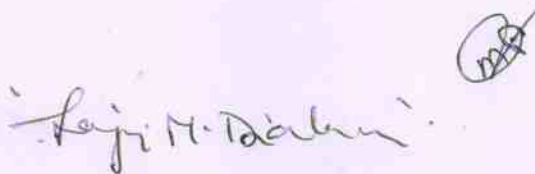
(DIRECTOR)



For SIMEDIA AND ASSOCIATES  
Chartered Accountants  
FRN : 125933W



GAUTAM SIMEDIA  
(PROPRIETOR)  
M. NO. : 118571





**KOLBA FARM FAB PRIVATE LIMITED**  
**CIN : U17120GJ2009PTC057022**  
**BALANCE SHEET AS AT 31/03/2016**

In ₹

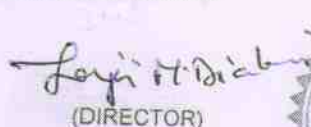
Balance Sheet as at	Note	31/03/2016	31/03/2015
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	2.1	4320290.00	4320290.00
Reserves and surplus	2.2	35063169.11	32134315.31
Money received against share warrants		-	-
		39383459.11	36454605.31
Share application money pending allotment	2.3	-	-
<b>Non-current liabilities</b>			
Long-term borrowings	2.4	22048365.77	30050706.00
Deferred tax liabilities (Net)	2.5	332880.40	816799.00
Other Long term liabilities		-	-
Long-term provisions		-	-
		22381246.17	30867505.00
<b>Current liabilities</b>			
Short-term borrowings	2.6	-	25291984.46
Trade payables	2.7	7268715.60	11759256.00
Other current liabilities		-	-
Short-term provisions	2.8	1018103.53	38000.00
		8286819.13	37089240.46
<b>TOTAL</b>		<b>70051524.41</b>	<b>104411350.77</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Fixed assets</b>			
Tangible assets	2.9	39777535.48	47724556.00
Intangible assets		-	-
Capital work-in-progress		-	-
Intangible assets under development		-	-
Non-current investments	3.0	39777535.48	47724556.00
Deferred tax assets (net)		655000.00	655000.00
Long-term loans and advances	3.1	129208.00	76438.00
Other non-current assets	3.2	3780220.00	3780220.00
		44341963.48	52236214.00
<b>Current assets</b>			
Current investments	3.3	-	-
Inventories	3.4	-	2074640.00
Trade receivables	3.5	-	47552412.00
Cash and cash equivalents	3.6	23766526.06	2380606.88
Short-term loans and advances	3.7	1347192.96	-
Other current assets	3.8	20000.00	-
		575841.91	167477.91
		25709560.93	52175136.77
<b>TOTAL</b>		<b>70051524.41</b>	<b>104411350.77</b>

In terms of our attached report of even date

For KOLBA FARM FAB PRIVATE LIMITED



(DIRECTOR)



(DIRECTOR)

Date : 28.05.2016  
Place : SURAT



For SIMEDIA AND ASSOCIATES  
Chartered Accountants  
FRN : 125933W



GAUTAM SIMEDIA  
(PROPRIETOR)  
M. NO. : 118571

NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2016

2.1 Share Capital

Particular	In ₹	
	31/03/2016	31/03/2015
<b>Authorised</b>		
1000000 (1000000) Equity Shares of ₹ 10/- Par Value	10000000.00	10000000.00
<b>Issued</b>		
432029 (432029) Equity Shares of ₹ 10/- Par Value	4320290.00	4320290.00
<b>Subscribed</b>		
432029 (432029) Equity Shares of ₹ 10/- Par Value	4320290.00	4320290.00
<b>Paidup</b>		
432029 (432029) Equity Shares of ₹ 10/- Par Value Fully Paidup	4320290.00	4320290.00
	4320290.00	4320290.00

2.2 Reserve and Surplus

Particular	In ₹	
	31/03/2016	31/03/2015
<b>Securities Premium Opening</b>		
	41801010.00	41801010.00
	41801010.00	41801010.00
<b>Profit and Loss Opening</b>		
Amount Transferred From Statement of P&L	(9666694.69)	(6321448.08)
Amount Transferred From Sundries	2928853.80	(3345246.61)
	0.00	0.00
<b>Appropriation and Allocation</b>		
	(0.00)	(0.00)
	(6737840.89)	(9666694.69)
	35063169.11	32134315.31

2.3 Share Application Money Pending Allotment

Particular	In ₹	
	31/03/2016	31/03/2015
	0.00	0.00

2.4 Long Term Borrowings

Particular	In ₹	
	31/03/2016	31/03/2015
<b>Term Loan</b>		
<b>Banks</b>		
<b>Secured</b>		
<b>Rupee</b>		
THE COSMOS CO. OP. BANK [ 80125 ]	22048365.77	26411803.00
THE COSMOS CO. OP. BANK [ 8046 ]	0.00	3638903.00
	22048365.77	30050706.00

2.5 Deferred Taxes

Particular	In ₹	
	31/03/2016	31/03/2015
<b>Deferred Tax Liabilities</b>		
Depreciation	816799.00	120878.00
Other	(483918.60)	695921.00
	332880.40	816799.00



*(Handwritten signature/initials)*

*Lejji M. Diabari*



## 2.6 Short Term Borrowings

In ₹

Particular	31/03/2016	31/03/2015
Loans repayable on demand		
Banks		
Secured		
THE COSMOS CO. OP. BANK	0.00	25291984.46
	0.00	25291984.46

## 2.7 Trade Payables

In ₹

Particular	31/03/2016	31/03/2015
Creditors Due others		
SHRI NATHJI TEXO FAB	393146.00	393146.00
SHUBHAWNI ENTERPRISE	3888967.00	4926410.00
UGAM DYED YARN	438533.00	438533.00
VENKTESHWAR FILAMENT PVT. LTD.	1029987.00	1029987.00
YES FASHIONS P.LTD	106630.00	494711.00
RONAK INDUSTRIES	760774.00	833800.00
NAVKAR BELTING	155505.60	0.00
GOPINATH SALES CORPORATION	495173.00	0.00
HARE KRISHNA SEIZERS	0.00	322623.00
LASER FIBERS	0.00	1000000.00
MAGNATE SYNTHETICS PVT. LTD.	0.00	423985.00
URVI FABRICS	0.00	1808868.00
FINE SIZERS	0.00	87193.00
	7268715.60	11759256.00

## 2.8 Short Term Provisions

In ₹

Particular	31/03/2016	31/03/2015
Others		
AUDIT FEE	30000.00	5000.00
ACCOUNT FEE PAYABLE	0.00	30000.00
PROFESSIONAL FEE	3000.00	3000.00
D.G.V.C.L.	408733.53	0.00
MAT PAYABLE	576370.00	0.00
	1018103.53	38000.00



Rajiv M. Diabani

2.9 Tangible assets

Particular	Gross			Depreciation			Impairment			Net			
	Opening	Addition	Deduction	Closing	Opening	During Period	Other Adj.	Closing	Opening	During Period	Reversal	Closing	Opening
Land													
LAND	3178610.00			3178610.00								3178610.00	3178610.00
Total	3178610.00			3178610.00								3178610.00	3178610.00
Building													
BUILDING	1621274.00			1621274.00	663928.00	95734.60		759662.60				861611.40	957346.00
Total	1621274.00			1621274.00	663928.00	95734.60		759662.60				861611.40	957346.00
Plant and Machinery													
PLANT AND MACHINERY	73147068.00	43790.00		73190858.00	29559877.00	7894186.00		37454063.00				35736795.00	43567191.00
Total	73147068.00	43790.00		73190858.00	29559877.00	7894186.00		37454063.00				35736795.00	43567191.00
Equipments													
Computer Equipments													
COMPUTER	23500.00			23500.00	22091.00	889.92		22980.92				519.08	1409.00
Total	23500.00			23500.00	22091.00	889.92		22980.92				519.08	1409.00
Grand Total	77970452.00	43790.00	0.00	78014242.00	30245896.00	7990810.52	0.00	38236706.52	0.00	0.00	0.00	39777535.48	47724556.00
Previous	77970452.00		0.00	77970452.00	20604286.00	9741610.00	0.00	30245696.00	0.00	0.00	0.00	47724556.00	57466166.00

In ₹



*Rajiv H. Dixit*



## 3.0 Non-current investments

In ₹

Particular	31/03/2016	31/03/2015
Other non-current investments NonTrade, Unquoted 0 (31/03/2015 : 0) SHARE of ₹ 0 Each Fully Paidup in THE COSMOS CO. OP. BANK	655000.00	655000.00
	655000.00	655000.00

## 3.1 Long-term loans and advances

In ₹

Particular	31/03/2016	31/03/2015
Capital Advances Doubtful MAT CREDIT	129208.00	76438.00
Loans and advances to others		
	129208.00	76438.00

## 3.2 Other non-current assets

In ₹

Particular	31/03/2016	31/03/2015
Trade Receivable Secured, Considered Good Others CENTRAL SUBSIDY 10%	3780220.00	3780220.00
	3780220.00	3780220.00

## 3.3 Current investments

In ₹

Particular	31/03/2016	31/03/2015
	0.00	0.00

## 3.4 Inventories

In ₹

Particular	31/03/2016	31/03/2015
Raw Material	0.00	1445234.00
Finished Goods	0.00	629406.00
	0.00	2074640.00

## 3.5 Trade receivables

In ₹

Particular	31/03/2016	31/03/2015
Trade Receivable Secured, considered good Within Six Months LAAJ ENYRNESNAL MANISH OVERSEAS INTEREST FROM DGVCL DIVIDEND RECEIVABLE WEST ZONE CTS M.K.EXIM INDIA PVT LTD	10746041.06 12672760.00 17513.00 43212.00 287000.00 0.00	898470.00 12902760.00 0.00 0.00 0.00 33751182.00
	23766526.06	47552412.00



*Rajiv M. Diabari*

3.6 Cash and cash equivalents

In ₹

Particular	31/03/2016	31/03/2015
Cash in Hand	1342673.59	2293577.59
Balances With Banks		
Balance With Scheduled Banks		
Current Account		
Idbi Bank	4519.37	4519.37
PN Bank	0.00	82509.90
Others		
	1347192.96	2380606.86

3.7 Short-term loans and advances

In ₹

Particular	31/03/2016	31/03/2015
Capital Advances		
Loans and advances to others		
Secured, considered good		
ANIL NAROTTAM PATEL HUF	20000.00	0.00
	20000.00	0.00

3.8 Other current assets

In ₹

Particular	31/03/2016	31/03/2015
Tds RECEIVABLE	527064.00	25019.00
TDS 13-14	8777.91	8777.91
TDS14-15	0.00	93681.00
ADVANCE TAX 2012-13	40000.00	40000.00
	575841.91	167477.91

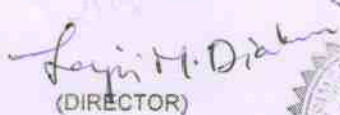
In terms of our attached report of even date

For KOLBA FARM FAB PRIVATE LIMITED



(DIRECTOR)

Date : 28.05.2016  
Place : SURAT



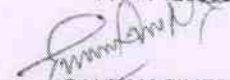
(DIRECTOR)



For SIMEDIA AND ASSOCIATES

Chartered Accountants

FRN : 125933W



GAUTAM SIMEDIA  
(PROPRIETOR)  
M. NO. : 118571



**KOLBA FARM FAB PRIVATE LIMITED**  
**CIN : U17120GJ2009PTC057022**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31/03/2016**

In ₹

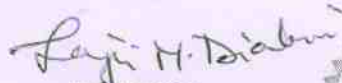
Statement of Profit and Loss for the	Note	31/03/2016	31/03/2015
Revenue from operations	3.9	9866075.00	76621839.00
Other income	4.0	25183430.00	4827816.00
<b>Total Revenue</b>		<b>35049505.00</b>	<b>81449655.00</b>
<b>Expenses</b>			
Cost of materials consumed	4.1	1445234.00	48593966.00
Purchases of Stock-in-Trade	4.2	0.00	6555855.00
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	4.3	629406.00	(28326.00)
Employee benefits expense	4.4	8302080.00	7539880.00
Finance costs	4.5	5941589.67	8624904.47
Depreciation and amortization expense	4.6	7990811.00	9741610.00
Other expenses	4.7	7715615.13	3071291.14
<b>Total expenses</b>		<b>32024735.80</b>	<b>84098980.61</b>
Profit before exceptional, extraordinary and prior period items and tax		3024769.20	(2649325.61)
Exceptional items	4.8	0.00	0.00
Profit before extraordinary and prior period items and tax		3024769.20	(2649325.61)
Extraordinary Items	4.9	0.00	0.00
Profit before prior period items and tax		3024769.20	(2649325.61)
Prior Period Items	5.0	0.00	0.00
Profit before tax		3024769.20	(2649325.61)
Tax expense:	5.1		
Current tax		579834.00	0.00
Deferred tax		(483918.60)	695921.00
Profit (Loss) for the period from continuing operations		2928853.80	(3345246.61)
Profit/(loss) from discontinuing operations	5.2	0.00	0.00
Tax expense of discontinuing operations		0.00	0.00
Profit/(loss) from Discontinuing operations (after tax)		0.00	0.00
Profit (Loss) for the period		2928853.80	(3345246.61)
Basic		0.00	0.00
Diluted		0.00	0.00

In terms of our attached report of even date

For KOLBA FARM FAB PRIVATE LIMITED



(DIRECTOR)



(DIRECTOR)



Date : 28.05.2016  
Place : SURAT

For SIMEDIA AND ASSOCIATES  
Chartered Accountants  
FRN : 125933W



GAUTAM SIMEDIA  
(PROPRIETOR)  
M. NO. : 118571

**NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2016**

**3.9 Revenue from operations**

Particular	In ₹	
	31/03/2016	31/03/2015
Sale of Products		
Manufactures Goods		
Sales	9866075.00	76621839.00
	9866075.00	76621839.00

**4.0 Other income**

Particular	In ₹	
	31/03/2016	31/03/2015
Interest		
INTEREST ON TDS REFUND	4209.00	0.00
INTEREST ON DGVCL DEPOSIT	19459.00	20604.00
Dividend		
DIVIDEND	59125.00	0.00
Miscellaneous		
JOB WORK INCOME	25100637.00	4807212.00
	25183430.00	4827816.00

**4.1 Cost of materials consumed**

Particular	In ₹	
	31/03/2016	31/03/2015
Raw Material		
Opening	1445234.00	46434648.00
Purchase	0.00	3604552.00
Closing	0.00	1445234.00
	1445234.00	48593966.00
	1445234.00	48593966.00

**Details of Raw Material**

Particular	In ₹	
	31/03/2016	31/03/2015
cost of material consumed	1445234.00	48593966.00
	1445234.00	48593966.00

**4.2 Purchases of Stock-in-Trade**

Particular	In ₹	
	31/03/2016	31/03/2015
Finished Goods		
GREY	0.00	6555655.00
	0.00	6555655.00

**4.3 Changes in inventories of finished goods, work-in-progress and Stock-in-Trade**

Particular	In ₹	
	31/03/2016	31/03/2015
Opening		
Finished Goods	629406.00	601080.00
	629406.00	601080.00
Closing		
Finished Goods	0.00	629406.00
	0.00	629406.00
Increase/Decrease		
Finished Goods	629406.00	(28326.00)
	629406.00	(28326.00)



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*Raji N. Diabari*



Details of Changes in Inventory

Particular	31/03/2016	31/03/2015
Finished Goods		
INCREASE/(DECREASE) IN STOCK	629406.00	(28326.00)
	629406.00	(28326.00)

4.4 Employee benefits expense

Particular	31/03/2016	31/03/2015
Salary, Wages & Bonus		
WAGES AND SALARY	7879379.00	7299880.00
ACCOUNT SALARY	0.00	120000.00
COLLECTION MAN SALARY	0.00	120000.00
Staff Welfare Expenses		
STAFF WELFARE EXPENSES	422701.00	0.00
	8302080.00	7539880.00

4.5 Finance costs

Particular	31/03/2016	31/03/2015
Interest Expenses		
Interest Expenses		
BANK C.C. INTEREST	1878861.00	3947683.05
BANK LOAN INTEREST	3662542.00	4631242.00
Bank Charges		
BANK CHARGES	400186.67	16765.42
BANK C.C. PROCESS FEES	0.00	29214.00
	5941589.67	8624904.47

4.6 Depreciation and amortisation expense

Particular	31/03/2016	31/03/2015
Depreciation & Amortisation		
Depreciation Tangible Assets	7990810.52	9741610.00
	7990810.52	9741610.00

4.7 Other expenses

Particular	31/03/2016	31/03/2015
Manufacturing Service Costs Expenses		
Power and Fuel		
ELECTRICITY CONSUMPTION	4076151.53	2397088.14
Other Manufacturing Costs		
Millgine & Oil exp	1636691.60	345780.00
JOB PROCESSOR.	120061.00	0.00
Yarn Dying exp	0.00	62234.00
Administrative and General Expenses		
Printing Stationery		
Printing	15421.00	0.00
Rent Rates And taxes		
Rent	0.00	12000.00
Auditors Remuneration		
Audit Fees	30000.00	30000.00
Repairs Maintenance Expenses		
Others	1494684.00	0.00
Legal and Professional Charges		
PROFESSIONAL FEE	3000.00	3000.00
CONSULTANCY FEE	0.00	16854.00
Insurance Expenses		



Lajji M. Dabani

GIC INSURANCE EXPS.	513.00	148456.00
Safety and Security Expenses		
SECURITY EXPENSES	180177.00	0.00
Other Administrative and General Expenses		
TRANSPORT EXPENSES	41040.00	0.00
TDS INTEREST	0.00	6429.00
MISC OFFICE EXP	0.00	36250.00
Selling Distribution Expenses		
Other Selling Distribution Expenses		
discount expenses	117876.00	0.00
Write off Assets and Liabilities		
Sundry Expenses Written Off		
Preliminary Expenses Writtenoff	0.00	13200.00
	7715615.13	3071291.14

#### 4.8 Exceptional items

Particular	In ₹	
	31/03/2016	31/03/2015
	0.00	0.00

#### 4.9 Extraordinary Items

Particular	In ₹	
	31/03/2016	31/03/2015
	0.00	0.00

#### 5.0 Prior Period items

Particular	In ₹	
	31/03/2016	31/03/2015
	0.00	0.00

#### 5.1 Tax expense

Particular	In ₹	
	31/03/2016	31/03/2015
Current tax		
MAT EXPENSES	576370.00	0.00
INTEREST ON MAT PAYABLE	3464.00	0.00
Deferred tax		
DEFERRED TAX LIABILITY	(483918.60)	695921.00
	95915.40	695921.00

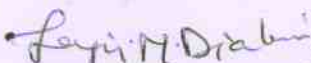
#### 5.2 Profit/(loss) from discontinuing operations

Particular	In ₹	
	31/03/2016	31/03/2015
	0.00	0.00

In terms of our attached report of even date


For KOLBA FARM FAB PRIVATE LIMITED

  
(DIRECTOR)

  
(DIRECTOR)



For SIMEDIA AND ASSOCIATES  
Chartered Accountants  
FRN : 125933W

  
GAUTAM SIMEDIA  
(PROPRIETOR)  
M. NO. : 118571

Date : 28.05.2016  
Place : SURAT



**[PART IV]**  
**BALANCE-SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**  
(or in the case the first return at any time since the incorporation of the company)

**I. Registration Details**

Registration No.	U17120GJ200	State Code
	9PTC057022	
Balance Sheet date	31/03/2016	

**II. Capital raised during the year (amount Rs. thousands)**

Public Issue	Nil	Rights Issue	Nil
Bonus Issue	Nil	Private Placement	Nil

**III. Position of mobilisation and deployment of funds (amount in Rs. Thousands)**

Total liabilities	70,051.52	Total assets	70,051.52
<b>Equity and Liabilities</b>			
Paid-up-capital	4,320.29	Reserves and surplus	35,063.17
Money against share warrant	Nil	Share application money pending allotment	Nil
Non - Current Liabilities	22,048.37	Current Liabilities	8,286.82
Defer Tax Liability	332.88		
<b>Assets</b>			
Net fixed assets	39,777.54	Investments	655.00
Net current assets	25,689.56	Loans and advances	149.21
Other non current assets	3,780.22		

**IV. Performance of company (amount in Rs. Thousands)**

Turnover	9,866.08	Other Income	25,183.43
Total expenditure	32,024.74	Profit/loss before tax	3,024.77
Profit/loss after tax	2,928.85	Earning per share in Rs.	Nil
Dividend rate %	Nil		

**V. Generic names of three principal products/services of company (as per monetary terms)**

Item Code No. (ITC Code)  
Product description

Item Code No. (ITC Code)  
Product description

Item Code No. (ITC Code)  
Product description



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*Lajji H. Diabari*

## 1. Significant Accounting Policies:

### Basis of preparation:

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). These financial statements have been prepared to comply in all material respects with the Accounting Standards notified by Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956/2013. The financial statements have been prepared under the historical cost convention on an accrual basis and going concern basis. The accounting policies have been consistently applied by the company are consistent with those used in the previous year.

### Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

## 2. Tangible Fixed Assets:

- Fixed assets are stated at cost less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.
- Borrowing costs relating to acquisition of tangible assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use. Assets under installation or under construction as at the Balance Sheet date are shown as Capital Work in Progress.

## 3. Intangible Fixed Assets:

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably.

## 4. Impairment of Assets:

- The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. Net selling price is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.



Rajiv H. Dalavi



- After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

#### 5. Depreciation and Amortisation:

Depreciation on the fixed assets is provided under straight-line method as per the rates prescribed in Schedule XIV to the Companies Act, 1956 or at rates permissible under applicable local laws so as to charge off the cost of assets to the Statement of Profit and Loss over their estimated useful life, except on the following categories of assets:

- (i) Assets costing up to Rs5, 000/- are fully depreciated in the year of acquisition.
- (ii) Leasehold land and leasehold improvements are amortised over the primary period of lease.
- (iii) Intangible assets are amortised over their useful life of 5 years.

#### 6. Investments:

- Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.
- On initial recognition, all investments are measured at cost. The cost comprises the purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired by the issue of shares or the other securities, the acquisition cost is the fair value of securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.
- Current investments are carried at the lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the long term investments.
- On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

#### 7. Employee Benefits:

Employee benefits include provident fund, employee state insurance scheme, gratuity fund and Compensated absences.

#### 8. Inventories:

Stock in trade, stores and spares are valued at the lower of the cost or net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. Cost of stock in trade procured for specific projects is assigned by specific identification of individual costs of each item. Costs of stock in trade, that are interchangeable and not specific to any project is determined using the weighted average cost formula. Cost of stores and spare parts is determined using weighted average cost.



  
Lejin M. Diabin

## 9. Borrowing Costs:

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest, exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other costs that an entity incurs in connection with the borrowing of funds.

## 10. Revenue Recognition:

### Revenue from Operations

- Sale and operating income includes sale of products, services, profit from partnership firms, income from job work services, export incentives, etc.
- Sale of goods are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer. Sales include excise duty but exclude sales tax and value added tax.
- Sale of services are recognised when services are rendered and related costs are incurred.
- Profit from partnership firms which are in the same line of operation is considered as operating Income.
- Revenue from job work services is recognised based on the services rendered in accordance with the terms of contracts.
- Export benefit are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

### Other income

- Interest income is recognised on time proportion basis taking into account the amount outstanding and the rate applicable.
- Dividend income is recognised when right to receive is established.
- Rent income is booked as per terms of contracts.

## 11. Taxation:

Tax expense comprises current and deferred tax. Current income tax expense comprises taxes on income from operations in India and in foreign jurisdictions. Income tax payable in India is determined in accordance with the provisions of the Income Tax Act, 1961 and tax expense relating to overseas operations is determined in accordance with tax laws applicable in countries where such operations are domiciled.

- Deferred tax expense or benefit is recognized on timing differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.



Keya M. Dialani



- Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by the same governing taxation laws
- Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits. In the situations where the Company is entitled to a tax holiday under the Income realized against future taxable profits. In the situations where the Company is entitled to a tax holiday under the Income tax Act, 1961 enacted in India, no deferred tax (asset or liability) is recognized in respect of timing differences which reverse during the tax holiday period, to the extent the Company's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing differences which reverse after the tax holiday period is recognized in the year in which the timing differences originate.
- At each balance sheet date the Company re-assesses recognized and unrecognized deferred tax assets. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which the deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available. The Company recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.
- Minimum Alternative tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT Credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT Credit Entitlement. The Company reviews the MAT Credit Entitlement at each balance sheet date and writes down the carrying amount of the MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income tax during the specified period.

## 12. Earnings per share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.



*Rayi. M. Diabari*

**13. Provisions:**

A provision is recognized when there exists a present obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to present value and are determined based on best estimates required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

**14. Contingent liabilities:**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed only by the occurrence or non occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably, the Company does not recognize a contingent liability but discloses its existence in the financial statements.


**15. Cash and cash equivalent:**

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short term deposits with banks with an original maturity of three months or less.

For KOLBA FARM FAB PRIVATE LIMITED

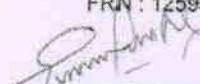
  
(DIRECTOR)

Date : 28.05.2016  
Place : SURAT

  
(DIRECTOR)



For SIMEDIA AND ASSOCIATES  
Chartered Accountants  
FRN : 125933W

  
GAUTAM SIMEDIA  
(PROPRIETOR)  
M. NO. : 118571