

Anchor Adhesives Pvt Ltd

CIN: U24100MH1992PTC067870

Registered Office: 310b, Veer Savarkar Marg Dadar, West Mumbai,
Mumbai City MH 400028, India

Company Information For the year ended 31st March 2016

DIRECTORS:

Satya Narayan Mundra

Lalit Patni

Suresh Kalra

AUDITORS:

Ghanshyam Parekh & Co.

Chartered Accountant

203, Aakar Complex-1,

Tithal Road, Valsad- 396001.

FRN No: 131167W

Directors' Report

Dear Members,

The Board of Directors (Board) presents the Annual Report of Anchor Adhesives Pvt Ltd together with the audited statement of accounts for the year ended March 31, 2016.

01. Financial results

| | 2015-16 | 2014-15 |
|------------------------------------|-------------|-------------|
| Sales | - | - |
| Revenue from operations | - | - |
| Other income | 17,257 | 71,805 |
| Total revenue | 17,257 | 71,805 |
| Profit before tax | 5,051 | (4,54,858) |
| Provision for tax | (1,561) | (5,919) |
| Profit for the year | 3,490 | (4,60,777) |
| Profit available for appropriation | 3,490 | (4,60,777) |
| Balance brought forward | (33,38,062) | (28,77,285) |
| Disposable surplus | - | - |
| Appropriations | - | - |
| General reserve | - | - |
| Proposed dividend | - | - |
| Dividend distribution tax | - | - |
| Balance carried forward | (33,34,572) | (33,38,062) |

02. Performance

The operation of the company is yet to commence and hence during the year under review it does not have any operational income. The other income generated during the year is mainly attributable to the income from investments of the Company.

03. Dividend

The Board does not recommend any dividend on the Equity Shares for the financial year ended March 31, 2016.

04. Conservation of energy, technology absorption, foreign exchange earnings and outgo

Information required under Section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014, as amended from time to time, are not applicable to the Company as the Company is yet to commence its operation.

05. Insurance

The Company has taken adequate insurance to cover the risks to its people, plants and machineries, buildings and other assets, profit and third parties, as commensurate with the size of its operations.

06. Risk Management

The Company has identified the risks and has initiated the mitigation plan for the same.

07. Internal financial controls

The Company ensured adequate internal financial controls commensurate with the size of its operations.

08. Fixed deposits

During 2015-16, the Company did not accept any fixed deposits.

09. Loans, guarantees, investments and security

During 2015-16, the Company has not taken any loans or made any investment or provided guarantees.

10. Subsidiary, associate and joint venture companies

The Company does not have any subsidiary, associate or joint venture companies.

11. Related Party Transactions

Particulars of contracts or arrangements with related parties are given in the Notes to the Accounts at note number 12.1.

12. Corporate Social Responsibility

The provision of section 135 of the Companies Act, 2013 are not applicable to the Company.

13. Extract of the Annual Return

This is given as Annexure 1.

14. Auditors

M/s G R Parekh & Co., Chartered Accountants, the Statutory Auditors of the Company, will retire at the conclusion of the ensuing Annual General Meeting (AGM) of the Company. They have given their consent to continue to act as the Auditors for 2016-17, if reappointed.

The relevant Notes forming part of the accounts are self-explanatory and give full information and explanation in respect of the observations made by the Auditors in their report.

15. Directors' responsibility statement

Pursuant to Section 134(5) of the Companies Act, 2013, the Directors confirm that, to the best of their knowledge and belief:

15.1 The applicable Accounting Standards were followed along with proper explanations relating to material departures in the preparation of the annual accounts.

15.2 The Accounting Policies were selected and applied consistently and judgments and estimates were made that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period.

15.3 Proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

- 15.4 The attached annual accounts for the year ended March 31, 2016 were prepared on a going concern basis.
- 15.5 Adequate internal financial controls to be followed by the Company were laid down and the same were adequate and operating effectively.
- 15.6 Proper systems were devised to ensure compliance with the provisions of all applicable laws and the same were adequate and operating effectively.

16. Directors

16.1 Appointments | Reappointments | Cessations: NIL

16.2 Policies on appointment and remuneration

The Company does not have policy on appointment and remuneration of Directors.

17. Key Managerial Personnel and other employees

The provision of section 203 of the Companies Act, 2013 are not applicable to the Company..

18. Acknowledgements

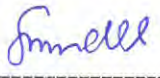
The Board expresses its sincere thanks to all the employees, customers, suppliers, investors, lenders, regulatory and Government authorities for their support.

For and on behalf of the Board of Directors



(_____)

Director



(_____)

Director

Atul

April 13, 2016

Annexure to the Directors' Report

Index

| No. | Subject title |
|-----|---|
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| 2. | Extract of the Annual Return in Form number MGT-9 |
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| 2.3 | Particulars of the holding, the subsidiary and the associate companies |
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| 2.7 | Penalties Punishment Compounding of offences |

1. Conservation of energy, technology absorption and foreign exchange earnings and outgo
Since the Company is yet to commence its operation this clause is not applicable.

2. Extract of the Annual Return in Form number MGT - 9

Form number MGT - 9

Extract of the Annual Return as on March 31, 2016

{Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies
(Management and Administration) Rules, 2014}

2.1 Registration and other details

- » CIN: U24100MH1992PTC067870
- » Registration date: 24/07/1992
- » Name of the company: Anchor Adhesives Pvt Ltd
- » Category | Sub-category of the company: Company limited by shares
- » Address of the registered office and contact details: 310 B, Veer Savarkar Marg, Dadar (West), Mumbai 400028
- » Whether listed company: No
- » Name, address and contact details of Registrar and Transfer Agent: Not applicable

| No | Name of the Shareholder | Shareholding as at April 01, 2015 | | | Shareholding as at March 31, 2016 | | | % change in shareholding during the year |
|----|-----------------------------|-----------------------------------|----------------------------------|--|-----------------------------------|----------------------------------|--|--|
| | | Number of shares held | % of total shares of the Company | % of shares pledged encumbered to total number of shares | Number of shares held | % of total shares of the Company | % of shares pledged encumbered to total number of shares | |
| | Type Share | | | | | | | |
| | Sharad Mehta (A) Type Share | 17162 | 23.14 | - | - | - | - | (100) |
| | Sharad Mehta (B) Type Share | 31380 | 6.12 | - | - | - | - | (100) |
| | Kirti Mehta (A) Type Share | - | - | - | - | - | - | (100) |
| | Kirti Mehta (B) Type Share | 109500 | 21.38 | - | - | - | - | (100) |
| | Pranav Mehta (A) Type Share | - | - | - | - | - | - | (100) |
| | Pranav Mehta (B) Type Share | 110000 | 21.48 | - | - | - | - | (100) |
| | (A) Type Share Total | 74155 | 12.66 | - | - | - | - | (100) |
| | (B) Type Share Total | 512000 | 87.34 | - | - | - | - | (100) |

2.4.3 Change in the promoters' shareholding

| No. | Particulars | Reason of change | Shareholding as at April 01, 2015 | | Cumulative shareholding during 2015-16 | |
|-----|-------------------------------------|------------------|-----------------------------------|----------------------------------|--|----------------------------------|
| | | | Number of shares | % of total shares of the Company | Number of shares | % of total shares of the Company |
| A. | Companies | | | | | |
| | At the beginning of the year | No change | 5,86,155 | 100 | 5,86,155 | 100 |
| | Increase Decrease during the year | | | | | |
| | At the end of the year | No change | 5,86,155 | 100 | 5,86,155 | 100 |

2.4.4 Shareholding pattern of top ten Shareholders (other than the Directors, the promoters and the holders of American Depository Receipts and Global Depository Receipts)

| No. | Name of the Shareholder | Reason of change | Shareholding as at April 01, 2015 | | Cumulative shareholding during 2015-16 | |
|-----|-------------------------|------------------|-----------------------------------|----------------------------------|--|----------------------------------|
| | | | Number of shares | % of total shares of the Company | Number of shares | % of total shares of the Company |

| No. | Name of the Shareholder | Reason of change | Shareholding as at April 01, 2015 | | Cumulative shareholding during 2015-16 | |
|-----|-------------------------------------|------------------|-----------------------------------|----------------------------------|--|----------------------------------|
| | | | Number of shares | % of total shares of the Company | Number of shares | % of total shares of the Company |
| | At the beginning of the year | - | - | - | - | - |
| | Increase Decrease during the year | - | - | - | - | - |
| | At the end of the year | - | - | - | - | - |

2.4.5 Shareholding of the Directors and the Key Managerial Personnel

| No. | Name of the Director the Key Managerial Personnel | Reason of change | Shareholding as at April 01, 2015 | | Cumulative shareholding during 2015-16 | |
|-----|---|------------------|-----------------------------------|----------------------------------|--|----------------------------------|
| | | | Number of shares | % of total shares of the Company | Number of shares | % of total shares of the Company |
| | At the beginning of the year | - | - | - | - | - |
| | Increase Decrease during the year | - | - | - | - | - |
| | At the end of the year | - | - | - | - | - |

2.5 Indebtedness

Indebtedness of the Company including interest outstanding | accrued, but not due for payment

(₹)

| Particulars | Secured loans excluding deposits | Unsecured loans | Deposits | Total indebtedness |
|---|----------------------------------|-----------------|----------|--------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal amount | - | - | - | - |
| ii) Interest due, but not paid | - | - | - | - |
| iii) Interest accrued, but not due | - | - | - | - |
| Total i) + ii) + iii) | - | - | - | - |
| Change in indebtedness during the financial year | | | | |
| Addition | - | - | - | - |
| Reduction | - | - | - | - |
| Net change | - | - | - | - |
| Indebtedness at the end of the financial year | | | | |
| i) Principal amount | - | - | - | - |
| ii) Interest due, but not paid | - | - | - | - |
| iii) Interest accrued, but not due | - | - | - | - |
| Total i) + ii) + iii) | - | - | - | - |

2.6 Remuneration of the Directors and the Key Managerial Personnel

2.6.1 Remuneration of the Managing Director, the Whole-time Director and | or the Manager

(₹)

| No. | Particulars | | | | | Total amount |
|-----|---|---|---|---|---|--------------|
| 1 | Gross salary | - | - | - | - | - |
| | Salary as per provisions under Section 17(1) of the Income-tax Act, 1961 | - | - | - | - | - |
| | Value of perquisites under Section 17(2) of the Income-tax Act, 1961 | - | - | - | - | - |
| | Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961 | - | - | - | - | - |
| 2 | Stock option | - | - | - | - | - |
| 3 | Sweat Equity | - | - | - | - | - |
| 4 | Commission for 2014-15 | - | - | - | - | - |
| 5 | Others | - | - | - | - | - |
| 6 | Total A | - | - | - | - | - |
| 7 | Ceiling as per the Act | - | - | - | - | - |

2.6.2 Remuneration to the other Directors

(₹)

| No. | Particulars | | | | | Total amount |
|-----|---|--|--|--|--|--------------|
| 1 | Non-executive Independent Directors | | | | | |
| | a) Fee for attending the Board the Committee meetings | | | | | |
| | b) Commission | | | | | |
| | Total 1 | | | | | |
| 2 | Non-executive Non-independent Directors | | | | | |
| | a) Fee for attending the Board the Committee meetings | | | | | |
| | b) Commission | | | | | |
| | Total 2 | | | | | |
| | Total B = (1+2) | | | | | |
| | Total managerial remuneration (A+B) | | | | | |
| | Overall ceiling as per the Act | | | | | |

2.6.3 Remuneration to the Key Managerial Personnel other than the Managing Director | the Manager | the Whole-time Director

(₹)

| No. | Particulars | Key Managerial Personnel | | | |
|-----|--|--------------------------|----|-----|-------|
| | | CEO | CS | CFO | Total |
| 1 | Gross salary | - | - | - | - |
| | Salary as per provisions contained under Section 17(1) of the Income-tax Act, 1961 | - | - | - | - |
| | Value of perquisites under Section 17(2) of the Income-tax Act, 1961 | - | - | - | - |
| | Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961 | - | - | - | - |
| 2 | Stock option | - | - | - | - |
| 3 | Sweat Equity | - | - | - | - |
| 4 | Commission | - | - | - | - |
| 5 | Others | - | - | - | - |
| | Total | - | - | - | - |

2.7 Penalties | Punishment | Compounding of offences

There were no penalties | punishment | compounding of offences for the year ending March 31, 2016.

Independent Auditors' Report

TO THE MEMBERS OF ANCHOR ADHESIVES PRIVATE LIMITED

REPORT ON THE STANDALONE FINANCIAL STATEMENTS

1. We have audited the accompanying financial statements of ANCHOR ADHESIVES PRIVATE LIMITED (the Company), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and 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

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('Act') with respect to the preparation of these Standalone Financial Statements to 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 and Accounting Standard 30, Financial Instruments: Recognition and Measurement issued by the Institute of Chartered Accountants of India to the extent it does not contradict any other accounting standard referred to in Section 133 of the Act read with Rule 7 of Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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.

AUDITORS' RESPONSIBILITY

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



4. We have taken into account the provisions of the Act and Rules made thereunder including the Accounting Standards and matters which are required to be included in the audit report.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements 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.
6. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Financial 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 accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

8. 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, of the state of affairs of the Company as at March 31, 2016 and its Loss and its cash flow for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

9. As required by the Companies (Auditor's Report) Order, 2015 (the Order) issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.

10. As required by Section 143(3) of the Act, we report that:



- a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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.
- 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 Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015.
- e. On the basis of the written representations received from the directors as on March 31, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial control over financial reporting of the Company and the operative effectiveness of such controls, separate report in Annexure A;
- 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 knowledge and belief and according to the information and explanations given to us:
- i) The Company has disclosed the impact, if any, of pending litigation as at March 31, 2016 on its financial position in its standalone Financial Statements
- ii) The Company has made provision as at March 31, 2016, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on account of long term contracts including derivative contracts.
- iii) There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2016.

Atul

Date : April 13, 2016

For Ghanshyam Parekh & Co.
Chartered Accountants
(Firm Registration No. 131167W)



G. R. Parekh

(G. R. Parekh)
Proprietor
Membership No.: 030530

Annexure A to Independent Auditors' Report

Referred to in paragraph 6 of the Independent Auditors' Report of the even date to the members of ANCHOR ADHESIVES PRIVATE LIMITED for the year ended March 31, 2016.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the Internal Financial Controls over financial reporting of ANCHOR ADHESIVES PRIVATE LIMITED (Company) as of March 31, 2016 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's responsibility for the Internal Financial Controls

2. The Management of the Company 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 the policies of the Company, 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 Act.

Auditors' responsibility

3. Our responsibility is to express an opinion on the Internal Financial Controls over financial reporting of the Company 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 deemed to be prescribed under Section 143(10) of the Act 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 ICAI. 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.
4. 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 judgment of the Auditors, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.



5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Internal Financial Controls system over financial reporting of the Company.

Meaning of Internal Financial Controls Over Financial Reporting

6. Internal Financial Controls over financial reporting of a company is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Standalone Financial Statements for external purposes in accordance with Generally Accepted Accounting Principles. Internal Financial Controls over financial reporting of a company 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 the Standalone Financial Statements in accordance with Generally Accepted Accounting Principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of the Board of Directors; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the assets of the company that could have a material effect on the Standalone Financial Statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. 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 Controls 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

8. 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 March 31, 2016, 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.

Atul

Date : April 13, 2016

For Ghanshyam Parekh & Co.
Chartered Accountants
(Firm Registration No. 131167W)



G. R. Parekh

(G. R. Parekh)
Proprietor
Membership No.: 030530

Annexure B to Independent Auditors' Report:

Referred to in paragraph 9 of the Independent Auditors' Report of the even date to the members of ANCHOR ADHESIVES PRIVATE LIMITED for the year ended March 31, 2016.

- i. (a) The Company has generally maintained proper records showing full particulars including quantitative details and situation of fixed assets;

(b) As explained to us, fixed assets, according to the practice of the Company, are physically verified by the management at reasonable intervals, which, in our opinion, is reasonable, looking to the size of the Company and the nature of its business. According to the information and explanations given to us, discrepancies noticed on physical verification have been adjusted in the books of account;

(c) The Company does not hold any immovable property therefore, the Clause is not applicable.
- ii. The Company does not carry any inventory therefore Clause 3(ii) of the Order is not applicable to the Company.
- iii. The Company has not granted any loan secured or unsecured to Companies, Firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- iv. The Company has not granted any loans, or made any investments or provided guarantee or security to parties covered under Section 185 and 186 of the Companies Act, 2013, Therefore the provisions of clause 3(iv) of the said order are not applicable to the Company.
- v. The company has not accepted any deposits from public within the meaning of sections 73, 74, .75 and 76 of the Act and the Rules framed thereunder.
- vi. The Central Government has not prescribed maintenance of Cost Records under Section 148(1) of the companies Act, 2013.
- vii. (a) According to the information and explanations given to us and the records of the Company examined y us, in our opinion, the Company is regular in depositing undisputed statutory dues including Provident Fund, Income tax, Sales tax, wealth tax, service tax, duty of Customs, duty of Excise, value added tax, cess and other statutory Dues as applicable with the appropriate authorities.

According to the explanation given to us there are no arrears of statutory dues which have remained outstanding at the last date of financial year, for a period of more than six month from the date they became payable;



(b) According to the information and explanation given to us, there are no dues of sales tax, income tax, duty of customs, wealth tax, service tax, duty of excise, value added tax or cess which have not been deposited on account of any dispute.

viii .According to the record of the Company examined by us and information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution or bank or government or debenture holders as at the Balance Sheet date.

ix The Company has not raised any money by way of public issue/ follow-on offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the order are not applicable.

X During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or on Company by its officers or employees, noticed or reported during the year nor have we been informed of any such case by the Management.

xi. No managerial remuneration has been paid / provided;

xii. The Company is not a Nidhi Company therefore the clause 3(xii) of the Order is not applicable.

xiii. All the transactions with the related parties are in compliance with Section 188 and 177 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc as required by the accounting standards and Companies Act, 2013.

xiv. The company has made preferential allotment / private placement of shares during the year under review and the requirement of Section 42 of the Companies Act, 2013 have been complied and the amount raised have been used for the purposes for which the funds were raised.

xv. The company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly the provisions of Clause 3(xv) of the Order are not applicable to the Company.

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.

Atul

Date : April 13, 2016

For Ghanshyam Parekh & Co.
Chartered Accountants
(Firm Registration No. 131167W)



G. R. Parekh

(G. R. Parekh)
Proprietor
Membership No.: 030530

ANCHOR ADHESIVES PVT. LTD.
BALANCE SHEET AS AT MARCH 31, 2016

| | Note | As at March 31,2016 (₹) | As at March 31,2015 (₹) |
|-----------------------------------|--------------|-------------------------------|-------------------------------|
| I. EQUITY AND LIABILITIES | | | |
| 1 Shareholders' funds | | | |
| (a) Share Capital | 2 | 58,61,550 | 58,61,550 |
| (b) Reserves and Surplus | 3 | (19,86,272) | (19,89,762) |
| | | 38,75,278 | 38,71,788 |
| 2 Non-current liabilities | | | |
| (a) Long Term Borrowings | 4 | - | 5,00,000 |
| 3 Current Liabilities | | | |
| (a) Other Liabilities | | 4,725 | 3,000 |
| (b) Short-term provisions | 5 | 4,411 | 2,809 |
| | | | |
| | TOTAL | 38,84,414 | 43,77,597 |
| II. ASSETS | | | |
| 1 Non-Current Assets | | | |
| (a) Long-term Loans and Advances | 6 | - | 26,00,000 |
| 2 Current Assets | | | |
| (a) Cash and Cash equivalents | 7 | 38,22,111 | 9,783 |
| (b) Short-term Loans and Advances | 8 | 51,567 | 17,67,814 |
| (c) Other current assets | 9 | 10,736 | - |
| | | | |
| | TOTAL | 38,84,414 | 43,77,597 |

Notes form an integral part of these financial statements

As per our attached report of even date

For Ghanshyam Parekh & Co.

Firm Registration No. 131167W

Chartered Accountants

G R Parekh

G R Parekh

Proprietor

Membership No. 030530

Atul

April 13, 2016



For and on behalf of the Board of Directors

Atul

Director

Atul

April 13, 2016

ANCHOR ADHESIVES PVT. LTD.
STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED MARCH 31, 2016

| Particulars | Note | 2015-16 (₹) | 2014-15 (₹) |
|---|------|----------------|-------------------|
| I. Revenue from Operations | | - | - |
| II. Other Income | 10 | 17,257 | 71,805 |
| III. Total Revenue (I + II) | | 17,257 | 71,805 |
| IV. Expenses: | | | |
| Employee Cost | | - | 95,000 |
| Depreciation and amortisation expenses | | - | - |
| Interest | | - | 3,85,888 |
| Other Expenses | 11 | 12,206 | 45,775 |
| Total Expenses | | 12,206 | 5,26,663 |
| V. Profit / (Loss) before Tax (III - IV) | | 5,051 | (4,54,858) |
| VI. Tax Expense: | | | |
| Current Tax Provision | | 1,561 | - |
| Add: Tax adjustments for the earlier years | | - | 5,919 |
| | | 1,561 | 5,919 |
| VII. Profit / (Loss) for the year (V - VI) | | 3,490 | (4,60,777) |
| VIII. Earnings per equity share: | | | |
| Basic | | 0.01 | (0.79) |

Notes form an integral part of these financial statements

As per our attached report of even date

For Ghanshyam Parekh & Co.

Firm Registration No. 131167W

Chartered Accountants

G R Parekh

G R Parekh

Proprietor

Membership No. 030530

Atul

April 13, 2016



For and on behalf of the Board of Directors

Atul

Director

Atul

April 13, 2016

ANCHOR ADHESIVES PVT. LTD

Cash Flow Statement for the year ended March 31, 2016

| Particulars | ₹ | |
|--|------------------------|--------------------|
| | 2015-16 | 2014-15 |
| (A) CASH FLOW FROM OPERATING ACTIVITIES | | |
| Profit before tax | 5,051 | (4,54,858) |
| Adjustments for: | | |
| Add: | | |
| Depreciation and amortisation expenses | - | - |
| Interest and finance charges | - | 3,85,888 |
| Loss on assets sold or discarded | - | - |
| | 5,051 | (3,85,888) |
| Less: | | |
| Interest received | 17,257 | 71,805 |
| | 17,257 | 71,805 |
| Operating profit before working capital changes | (12,206) | (1,40,775) |
| Adjustments for: | | |
| Short-term loans and advances | 17,16,247 | (1,262) |
| Other current assets | (10,736) | 1,15,382 |
| Non-current assets | - | - |
| Long-term loans and advances | 26,00,000 | 4,08,561 |
| Long Term Borrowings | (5,00,000) | (16,25,764) |
| Trade payables | 1,725 | 3,000 |
| Other current liabilities | - | - |
| Short-term provisions | 1,602 | - |
| | 38,08,838 | (11,00,083) |
| Cash generated from operations | 37,96,632 | (12,40,858) |
| Less: | | |
| Direct taxes (refund) paid | 1,561 | 5,919 |
| Net cash flow from operating activities | A 37,95,071 | (12,46,777) |
| (B) CASH FLOW FROM INVESTING ACTIVITIES | | |
| Interest received | 17,257 | 71,805 |
| Net cash used in investing activities | B 17,257 | 71,805 |
| (C) CASH FLOW FROM FINANCING ACTIVITIES | | |
| Interest paid | - | (3,85,888) |
| Net cash used in financing activities | C - | (3,85,888) |
| Net change in cash and cash equivalents | A+B+C 38,12,328 | (15,60,860) |
| Opening balance - cash and cash equivalents | 9,783 | 15,70,643 |
| Closing balance - cash and cash equivalents | 38,22,111 | 9,783 |
| | 38,12,328 | (15,60,860) |

The Cash Flow Statement has been prepared under the 'Indirect Method' set out in Accounting Standard-3 'Cash Flow Statement' referred to in The Companies Accounting Standard Rules, 2006.

As per our attached report of even date

For Ghanshyam Parekh & Co.

Firm Registration No. 131167W

Chartered Accountants

G R Parekh

Proprietor

Membership No. 030530

Atul

April 06, 2016



Atul Parekh

Director

Atul
April 13, 2016

ANCHOR ADHESIVES PVT. LTD.
NOTES FORMING PART OF THE BALANCE SHEET AS AT
AND THE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

NOTE: 1 Significant Accounting Policies:

A Basis of preparation:

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to section 133 of the Companies Act, 2013 read with the Rule 7 of the Companies (Accounts) Rules, 2014, till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] and other relevant provisions of the Companies Act, 2013.

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current - non current classification of assets and liabilities.

B 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 year. Although these estimates are based on best knowledge of current events and actions of the Management, actual results could differ from these estimates. Differences between actual results and estimates are recognised in the year in which the results are known | materialised.

C Fixed Assets & Depreciation Amortizations :

Fixed Assets are stated at cost of acquisition or construction less accumulated depreciation / amortization.

The company capitalized all cost relating to the acquisition, installation and construction of fixed assets.

Depreciation on addition to fixed Assets is calculated on pro-rata basis from the date of such addition. The company provides depreciation on the basis of useful life of the assets as prescribed under Schedule II of the Companies Act, 2013.

D Contingent Liability :

Provision is made in respect of those liabilities which are materialized after the year end, till the finalization of accounts or where the amount is not ascertainable and having material effect on position stated in the Balance Sheet.

E Revenue Recognition :

Revenue is recognized on accrual basis.

F Taxes of Income :

Taxes on Income are accounted in accordance with AS 22, "Taxes on Income". Taxes on Income Comprises of both Current Tax and deferred tax.

- a) Provision for current tax for the year is determined considering the disallowances, exemptions and deductions and/or liabilities/credits and set-off available as laid down by the tax laws and interpreted by various authorities.
- b) Deferred Tax Liability is recognized, subject to consideration of the prudence on timing difference, being the difference between taxable income and accounting income for the year. Deferred Tax Asset is not recognized unless there is reasonable certainty of realizing the same in near future.

G Earning Per Share :

The company reports basic and diluted Earnings per share in accordance with accounting standard 20 "Earning per share". Basic earnings per share are computed by dividing the net profit or loss after tax for the year by the number of Equity Shares outstanding during the year.



ANCHOR ADHESIVES PVT. LTD.
 NOTES FORMING PART OF THE BALANCE SHEET AS AT
 AND THE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

NOTE : 2 SHARE CAPITAL :

| | As at March 31, 2016 (₹) | As at March 31, 2015 (₹) |
|---|--------------------------------|--------------------------------|
| (a) Authorised : | | |
| 75000 'A' Type Equity Shares of Rs. 10 each. | 7,50,000 | 7,50,000 |
| 525000 'B' Type Equity Shares of Rs. 10 each | 52,50,000 | 52,50,000 |
| Total | 60,00,000 | 60,00,000 |
| (b) Issued : | | |
| 74155 'A' Type Equity Shares of Rs. 10 each. | 7,41,550 | 7,41,550 |
| 512000 'B' Type Equity Shares of Rs. 10 each. | 51,20,000 | 51,20,000 |
| Total | 58,61,550 | 58,61,550 |
| (c) Subscribed and paid up : | | |
| 74155 'A' Type Equity Shares of Rs. 10 each. | 7,41,550 | 7,41,550 |
| 512000 'B' Type Equity Shares of Rs. 10 each. | 51,20,000 | 51,20,000 |
| Total | 58,61,550 | 58,61,550 |

(d) Reconciliation of Shares

| | As at March 31, 2016 | | As at March 31, 2015 | |
|---|----------------------|---------------|----------------------|---------------|
| | No of shares | Amount (₹) | No of shares | Amount (₹) |
| Shares outstanding at beginning | 5,86,155 | 58,61,550 | 5,86,155 | 58,61,550 |
| Add: Issued during the year | - | - | - | - |
| Less: Reduction in shares during the year | - | - | - | - |
| Shares outstanding at year end | 5,86,155 | 58,61,550 | 5,86,155 | 58,61,550 |

(e) Terms/ Rights attached to Equity Shares

The Company has only two class of Equity shares having a par value of ₹ 10 per share. 'A' Type of Equity shares is entitled to one vote per share. 'B' Type of Equity shares is not entitled for vote. The dividend proposed by the Board of Directors is subject to approval of Shareholders in ensuring Annual General meeting.

(f) Details of Shares held by Holding Co., & its Subsidiary & Associates

| | As at March 31, 2016 | As at March 31, 2015 |
|---|-------------------------|-------------------------|
| | No of shares | No of shares |
| Shares held by the Holding Company - Atul Limited | 5,86,155 | 2,93,077 |

(g) Details of Shareholders holding more than 5% of Equity Shares:

| Sr. No. | Name of the Shareholder | As at March 31, 2016 | | As at March 31, 2015 | |
|---------|-------------------------|----------------------|--------------|----------------------|--------------|
| | | Holding % | No of shares | Holding % | No of shares |
| 1 | Atul Limited | 100.00% | 5,86,155 | 50.00% | 2,93,077 |
| 2 | Sharad Mehta | - | - | 8.28% | 48,542 |
| 3 | Kirti Mehta | - | - | 18.68% | 1,09,500 |
| 4 | Pranav Mehta | - | - | 18.77% | 1,10,000 |



ANCHOR ADHESIVES PVT. LTD.
 NOTES FORMING PART OF THE BALANCE SHEET AS AT
 AND THE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

NOTE : 3 RESERVES AND SURPLUS

| | As at March 31,2016 (₹) | As at March 31,2015 (₹) |
|--|-------------------------------|-------------------------------|
| (a) Capital Reserves | | |
| Balance as at the beginning of the year | 6,75,900 | 6,75,900 |
| Add: Addition/Transfer during the year | - | - |
| Less: Utilisation during the year | - | - |
| Balance as at the end of the year | <u>6,75,900</u> | <u>6,75,900</u> |
| (b) Subsidy | | |
| Balance as at the beginning of the year | 6,72,400 | 6,72,400 |
| Add: Addition/Transfer during the year | - | - |
| Less: Utilisation during the year | - | - |
| Balance as at the end of the year | <u>6,72,400</u> | <u>6,72,400</u> |
| (c) Surplus / (Deficit) in statement of profit & loss | | |
| Balance as at the beginning of the year | (33,38,062) | (28,77,285) |
| Add: Profit / (Loss) for the year | 3,490 | (4,60,777) |
| Less: Appropriation to Reserves | - | - |
| Balance as at the end of the year | <u>(33,34,572)</u> | <u>(33,38,062)</u> |
| Total | <u>(19,86,272)</u> | <u>(19,89,762)</u> |

NOTE: 4 Long Term Borrowings

Unsecured

Related Parties

Total

| | |
|----------|-----------------|
| - | 5,00,000 |
| <u>-</u> | <u>5,00,000</u> |

NOTE: 5 Short Term Provisions

(a) Other Provisions

Total

| | |
|--------------|--------------|
| 4,411 | 2,809 |
| <u>4,411</u> | <u>2,809</u> |



ANCHOR ADHESIVES PVT. LTD.
 NOTES FORMING PART OF THE BALANCE SHEET AS AT
 AND THE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

| | As at March 31, 2016 (₹) | As at March 31, 2015 (₹) |
|--|--------------------------------|--------------------------------|
| NOTE: 6 <u>LONG TERM LOANS AND ADVANCES</u> (Unsecured, considered good, unless otherwise specified) | | |
| (a) Related parties | - | 16,00,000 |
| (b) Others | - | 10,00,000 |
| Total | - | 26,00,000 |

NOTE: 7 CASH AND CASH EQUIVALENTS

Cash and Cash Equivalents

| | | |
|--|------------------|--------------|
| (i) Balances with Banks | | |
| - Deposit with more than 12 month maturity | 37,50,000 | - |
| - Current Accounts | 72,111 | 3,714 |
| (ii) Cash on Hand | - | 6,069 |
| Total | 38,22,111 | 9,783 |

NOTE: 8 SHORT TERM LOANS AND ADVANCES

(Unsecured, considered good, unless otherwise specified)

| | | |
|--|---------------|------------------|
| (a) Others | | |
| (i) Tax paid in advance, net of provisions | 51,567 | 51,567 |
| (ii) Others | - | 17,16,247 |
| Total | 51,567 | 17,67,814 |

NOTE: 9 OTHER CURRENT ASSETS

| | | |
|----------------------------------|---------------|----------|
| (a) Interest Accrued But Not Due | 10,736 | - |
| Total | 10,736 | - |



ANCHOR ADHESIVES PVT. LTD.
 NOTES FORMING PART OF THE BALANCE SHEET AS AT
 AND THE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

NOTE: 10 OTHER INCOME

| | 2015-16 (₹) | 2014-15 (₹) |
|---------------------|----------------|----------------|
| (a) Interest on FDR | 17,257 | 71,805 |
| Total | 17,257 | 71,805 |

NOTE: 11 OTHER EXPENSES

| | | |
|----------------------------------|---------------|---------------|
| Bank Charges | 3,831 | 281 |
| Printing and Stationery Expenses | 300 | |
| Legal & Professional Expenses | - | 37,500 |
| ROC Filing Fees | 3,500 | 3,500 |
| Payments to Auditors | | |
| Audit Fee | 2,850 | 2,809 |
| Tax Matter | 1,725 | 1,685 |
| Total | 12,206 | 45,775 |



ANCHOR ADHESIVES PVT. LTD.
NOTES FORMING PART OF THE BALANCE SHEET AS AT
AND THE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

NOTE: 12.1 Related Party Transactions

- (a) Name of the related party and nature of relationship :

| Name | Relationship |
|--|-------------------------------|
| Atul Limited | Holding Company |
| Key management personnel: | |
| Kirti P Mehta | Chairman - up to 18. Feb 2016 |
| Relatives of key management personnel: | |
| Sharad Mehta | Brother of Kirti Mehta |

- (b) Transactions With Holding Company

| Particulars | 2015-16 | 2014-15 |
|---|------------|----------|
| | ₹ | ₹ |
| Advance given (Repayment): | | |
| Atul Limited | (5,00,000) | - |
| Outstanding balance as at year end | | |
| Payable | | |
| Atul Limited | - | 5,00,000 |

- (c) Transactions with Key Management Personnel

| Particulars | 2015-16 | 2014-15 |
|---|---------|------------|
| | ₹ | ₹ |
| Loans given (Repayment): | | |
| Kirti P Mehta | - | (4,08,561) |
| Outstanding balance as at year end | | |
| Receivable | - | (4,08,561) |

- (d) Transactions With Relatives of Key Management Personnel

| Particulars | 2015-16 | 2014-15 |
|---|-------------|-----------|
| | ₹ | ₹ |
| Loans given (Repayment): | | |
| Sharad P Mehta | (16,00,000) | - |
| Outstanding balance as at year end | | |
| Receivable | | |
| Sharad P Mehta | - | 16,00,000 |

NOTE: 12.2 The balance of Unsecured Loans, Creditors and Loans and Advances are subject to confirmation and reconciliation, if any.

NOTE: 12.3 In the opinion of the board and as certified by the management, all expenses charged to revenue and cash transactions entered into are genuine and have been solely and exclusively incurred for the business of the company.



**ANCHOR ADHESIVES PVT. LTD.
NOTES FORMING PART OF THE BALANCE SHEET AS AT
AND THE STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED MARCH 31, 2015**

NOTE: 12.4 On the basis of the information available with the company, there were no amounts overdue and remaining unpaid to small scale and/or Ancillary Industrial undertaking as defined by 'The Interest on delayed payments to small scale and Ancillary Industrial undertaking Act, 1992', nor were there any delay in payments to the said Industrial Undertaking during the relevant year.

NOTE: 12.5 Previous year's figures have been regrouped and rearranged, to correspond with current year figures, wherever necessary.

As per our attached report of even date
For Ghanshyam Parekh & Co.
Firm Registration No. 131167W
Chartered Accountants

For and on behalf of the Board of Directors

G R Parekh
G R Parekh
Proprietor
Membership No. 030530
Atul
April 13, 2016



Atul
Director

Atul
April 13, 2016