

# GUPTA JALAN & ASSOCIATES

## CHARTERED ACCOUNTANTS

### Independent Auditor's Report

To the Members of AVSL Industries Private Limited

#### Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **AVSL Industries Private Limited** ('the Company'), which comprise the balance sheet as at 31 March 2015, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the Standalone Financial Statements

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

#### Auditor's Responsibility

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments; the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls.



# GUPTA JALAN & ASSOCIATES

## CHARTERED ACCOUNTANTS

An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.


### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 31 March 2015 and its profit and its cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
  - (d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) on the basis of the written representations received from the directors as on 31 March 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and

For GUPTA JALAN & ASSOCIATES  
Chartered Accountants

  
(R.N.Jalan)  
(Partner)  
M.No.-082389

Place: Delhi  
The 20<sup>th</sup> day of Aug 2015

# GUPTA JALAN & ASSOCIATES

## CHARTERED ACCOUNTANTS

### Annexure to the Independent Auditors' Report

The Annexure referred to in our report to the members of **AVSL Industries Private Limited** ('The Company') for the year ended March 31, 2015. We report that:

i). In respect of its Fixed Assets:

- (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
- (b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.

ii). In respect of its inventories:

- a) The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) The Company has maintained proper records of inventories. As per the information and explanation given to us, no material discrepancies were noticed on physical verification.

iii). In respect of the loans, secured or unsecured, granted by the Company to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013:

- a) The principal amounts are repayable over varying periods from three to five years, while the interest is payable annually, both at the discretion of the Company.
- b) In respect of the said loans and interest thereon, there are no overdue amounts.

iv). In our opinion and according to the information and explanations given to us, the Company has an adequate internal control system commensurate with its size and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in such internal control system.

v). According to the information and explanations given to us, the Company has not accepted any deposit from the public. Therefore, the provisions of Clause (v) of paragraph 3 of the CARO 2015 are not applicable to the Company.



# GUPTA JALAN & ASSOCIATES

## CHARTERED ACCOUNTANTS

- vi). Cost records pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under Section 148(1)(d) of the Companies Act, 2013 are not applicable.
- vii). In respect of statutory dues:
- a) According to the records of the Company, undisputed statutory dues including, Income Tax, Sales Tax, Service Tax, duty of Customs, Duty of Excise, Value Added Tax, Cess and other material statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2015 for a period of more than six months from the date of becoming payable.
- b) That there is dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, duty of Customs, Duty of Excise, Value Added Tax, Cess which have not been deposited as on March 31, 2015 on account of disputes.
- viii). The Company does not have accumulated losses at the end of the financial year. The Company has not incurred cash losses during the financial year covered by the audit and in the immediately preceding financial year.
- ix). Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, banks and debenture holders.
- x). The Company has not given guarantees for loans taken by others from banks and financial institutions.
- xi). The Company has not raised any new term loans against vehicle during the year. The term loans outstanding at the beginning of the year have been applied for the purposes for which they were raised.
- xii). In our opinion and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

for GUPTA JALAN & ASSOCIATES  
Chartered Accountants



(R.N.Jalan)  
(Partner)  
M.No.-082389



Place: Delhi  
The 20<sup>th</sup> day of Aug 2015

AVSL INDUSTRIES PRIVATE LIMITED

BALANCE SHEET AS AT 31ST MARCH 2015

PARTICULARS	NOTE	AS AT 31.03.2015	AS AT 31.03.2014
<b>A EQUITY AND LIABILITIES</b>			
<b>1 Share Holder's Fund</b>			
i) Share Capital	1	3,242,600	3,242,600
ii) Reserve & Surplus	2	32,431,050	32,137,406
		<u>35,673,650</u>	<u>35,380,006</u>
<b>2 Non Current Liabilities</b>			
i) Long term Borrowings	3	-	-
ii) Other Long term Liabilities	4	4,526,630	2,955,052
		<u>4,526,630</u>	<u>2,955,052</u>
<b>3 Current Liabilities</b>			
i) Short term Borrowings	5	300,710	940,213
ii) Trade Payables	6	102,881,891	48,000,643
iii) Other Current Liabilities	7	3,279,884	1,958,725
iv) Short term Provisions	8	352,108	707,504
		<u>106,814,593</u>	<u>51,607,085</u>
<b>Total in Rs.</b>		<u><b>147,014,873</b></u>	<u><b>89,942,144</b></u>
<b>B ASSETS</b>			
<b>1 Non Current Assets</b>			
i) Tangible Assets	9	28,344,811	28,405,711
ii) Long Term Loans & Advances	10	1,842,761	1,783,259
iii) Deferred Tax Assets		244,406	153,411
		<u>30,431,978</u>	<u>30,342,381</u>
<b>2 Current Assets</b>			
i) Inventories	11	52,015,972	9,179,430
ii) Trade Receivable	12	43,344,743	42,798,658
iii) Cash & Cash Equivalents	13	11,814,420	1,578,066
iv) Short Term Loans & Advances	14	9,407,761	6,043,608
		<u>116,582,895</u>	<u>59,599,763</u>
<b>Total in Rs.</b>		<u><b>147,014,873</b></u>	<u><b>89,942,144</b></u>

The Accompanying notes 1 to 21 are and integral part of the financial statements

As per our report annexed  
For GUPTA JALAN & ASSOCIATES  
Chartered Accountants



R.N. Jalan  
Partner  
M.No. 082389

for and on behalf of the Board of Directors  
For AVSL INDUSTRIES PVT. LTD. For AVSL INDUSTRIES PVT. LTD.

  
Sanjay Bansal  
(Director)  
DIN- 01467290

Priti Bansal  
(Director)  
DIN-07107908

  
Director

Place: Delhi  
The 20th day of Aug 2015



AVSL INDUSTRIES PRIVATE LIMITED

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2015

PARTICULARS	NOTE	FOR THE YEAR ENDED 31.03.2015	FOR THE YEAR ENDED 31.03.2014
<b>I REVENUE FROM OPERATIONS</b>			
i) Sales (Net)		139,584,440	130,988,974
ii) Other Income	15	2,654,308	3,297,293
Total Revenue (A)		<u>142,238,748</u>	<u>134,286,266</u>
<b>II EXPENDITURE</b>			
i) Materials Consumed	16	117,927,614	109,329,808
ii) Cost of Trading Goods	17	2,499,456	-
iii) Change in value of Stock of Finished Goods/Work-in-process	18	(481,506)	2,831,637
iv) Employee Benefits Expenses	19	2,887,559	3,315,617
v) Finance Costs	20	266,662	1,140,767
vi) Other Expenses	21	17,264,289	14,921,673
vii) Depreciation Written Off	9	1,409,506	1,399,325
Total Expenses (B)		<u>141,773,580</u>	<u>132,938,827</u>
Profit Before Exceptional & Extraordinary Items & Taxation		465,168	1,347,439
III Exceptional & Extra Ordinary Items		-	226,540
Profit After Extraordinary Items		465,168	1,120,899
Profit Before Tax		465,168	1,120,899
<b>V Tax Expenses :</b>			
i) Provision for Taxation		262,020	546,689
ii) Deferred Tax (Asset)/Liability		90,995	108,754
iii) Income Tax for Earlier Year		-	1,007
Profit After Taxation		<u>294,143</u>	<u>681,956</u>
<b>VI Earning Per Share( of Rs.10/- each)</b>			
i) Basic earning Per Share		0.91	2.10
ii) Diluted earning Per Share		0.91	2.10

The Accompanying notes 1 to 21 are and integral part of the financial statements

As per our report annexed

For GUPTA JALAN & ASSOCIATES  
Chartered Accountants



R.N. Jalan  
Partner  
M.No. 082389

for and on behalf of the Board of Directors  
For AVSL INDUSTRIES PVT. LTD.

  
Director

Sanjay Bansal  
(Director)  
DIN- 01467290

For AVSL INDUSTRIES PVT. LTD.

  
Director

Priti Bansal  
(Director)  
DIN-07107908

Place: Delhi

The 20th day of July 2015





AVSL INDUSTRIES PRIVATE LIMITED

NOTES to the Financial Statements

PARTICULARS	AS AT 31.03.2015	AS AT 31.03.2014
<b>NOTE 1</b>		
<b>SHARE CAPITAL</b>		
<b>Authorised Share Capital</b>		
1000000 Equity Shares of Rs. 10/- each	10,000,000	10,000,000
<b>Issued Subscribed &amp; Paid up</b>		
324260 fully paid up equity shares of Rs.10/- face value each	3,242,600	3,242,600
Total Rs.	3,242,600	3,242,600

Details of share holder holding more than 5% of the ordinary shares in the company

S.No.	Name	No. of Shares	No. of Shares
1	VB POLYMERS PVT. LTD.	22,000	22,000
2	UNIVERSAL POLYCHEM PVT. LTD.	48,000	48,000
3	AVSL FOILS PVT. LTD.	48,000	48,000
4	SANJAY BANSAL (HUF)	18,570	18,570
5	VED PRAKASH GUPTA	45,740	45,740
6	SANJAY BANSAL	75,900	75,900
7	SMT. MALINI BANSAL	21,000	21,000
8	LALIT BANSAL	21,010	21,010

**NOTE 2**

**RESERVES & SURPLUS**

<b>Surplus in Profit &amp; Loss Account</b>		
Brought Forward From Previous Year	1,621,006	939,050
Provision of Excess Depreciation as per companies act 2013 Written back.	498	-
Profit for the Year	294,143	681,956
Carried to Next Year	1,914,650	1,621,006
Share Premium Account	30,516,400	30,516,400
Total Rs.	32,431,050	32,137,406

**NOTE 3**

**LONG TERM BORROWINGS**

<b>Secured</b>		
Medium Term Loan	-	-
Total Rs.	-	-

*A*

For AVSL INDUSTRIES PVT. LTD.

*S Bansal*  
Director

For AVSL INDUSTRIES PVT. LTD.

*A Bansal*  
Director

**AVSL INDUSTRIES PRIVATE LIMITED**

PARTICULARS	AS AT		
	31.03.2015	31.03.2014	
	Repayable Within 1 Year	Repayable after 1 within 5 Year Years	Total
<b>31.03.2015</b>			
Medium Term Loan	-	-	-
Total Rs.	-	-	-
<b>31.03.2014</b>			
Medium Term Loan	60,294	-	60,294
Total Rs.	60,294	-	60,294

\*Vehicle Loans of Rs. 20.70 Lacs Received from Kotak Mahindra Prime Ltd. Payable in equated period of installment up to a period of three to five years from the date of respective loans secured against hypothecation of vehicle and personal guarantees of the directors

**NOTE 4**

**OTHER LONG-TERM LIABILITIES**

<u>Unsecured Loans</u>		
From Others	4,526,630	2,955,052
Total Rs.	4,526,630	2,955,052

**NOTE 5**

**SHORT TERM BORROWINGS**

Current maturities of long - term debts	-	60,294
<u>Unsecured Loan</u>		
From Directors & relatives	300,710	879,919
	300,710	940,213

**NOTE 6**

**Trade Payables**

Trade Payable (unsecured)	102,881,891	48,000,643
Total Rs.	102,881,891	48,000,643

**NOTE 7**

**Other Current Liabilities**

Advance from Customers	2,143,317	1,324,312
Expenses Payable	1,136,567	487,923
Security deposit against Form - C	-	5,494
Bank Balance ( Books Overdraft)	-	140,996
Total Rs.	3,279,884	1,958,725



For AVSL INDUSTRIES PVT. LTD.

  
Director

For AVSL INDUSTRIES PVT. LTD.

  
Director



AVSL INDUSTRIES PRIVATE LIMITED

Note - 9  
Tangible Assets

PARTICULARS	GROSS BLOCK		DEPRECIATION		NET BLOCK	
	AS AT 01.04.2014	ADDITIONS DURING THE YEAR	UP TO 31.3.2014	FOR THE YEAR	AS AT. 31.3.2015	AS AT 31.03.2014
Land	22,670,880	-	-	-	22,670,880	22,670,880
Buildings	2,132,770	-	890,886	116,786	1,007,672	1,241,884
Plant & Machineries	2,622,788	1,222,568	1,115,069	297,496	1,412,564	1,507,719
Car	5,828,654	-	2,868,547	987,961	3,856,508	2,960,107
Generator	45,500	45,242	24,500	4,365	28,865	21,000
Furniture & Fixtures	8,460	-	6,392	748	7,140	2,068
Computer	66,900	80,294	64,847	2,150	66,998	2,053
<b>Total Rs.</b>	<b>33,375,952</b>	<b>1,348,104</b>	<b>4,970,241</b>	<b>1,409,506</b>	<b>6,379,747</b>	<b>28,344,811</b>
<b>Previous Year Figures</b>	<b>33,150,274</b>	<b>225,678</b>	<b>3,570,916</b>	<b>1,399,325</b>	<b>4,970,241</b>	<b>29,579,358</b>

For AVSL INDUSTRIES PVT. LTD.

For AVSL INDUSTRIES PVT. LTD.

*Shah*

Director

*Shah*

Director

**AVSL INDUSTRIES PRIVATE LIMITED**

<b>PARTICULARS</b>	<b>AS AT 31.03.2015</b>	<b>AS AT 31.03.2014</b>
<b>NOTE 8</b>		
<b><u>SHORT TERM PROVISIONS</u></b>		
Statutory Liabilities	90,088	160,815
Provision for Taxation	262,020	546,689
Total Rs.	<u>352,108</u>	<u>707,504</u>
<b>NOTE 10</b>		
<b><u>LONG TERM LOANS &amp; ADVANCES</u></b>		
Security deposits	1,842,761	1,783,259
Total Rs.	<u>1,842,761</u>	<u>1,783,259</u>
<b>NOTE 11</b>		
<b><u>INVENTORIES</u></b>		
(As taken, valued and certified by the management)		
Refer Note 21 (4) other notes		
Raw Materials	16,489,379	6,849,489
Packing Materials	37,593	27,478
Trading Goods	32,705,031	
Finished Goods	947,549	604,361
Work In Process	1,836,420	1,698,102
Total Rs.	<u>52,015,972</u>	<u>9,179,430</u>
<b>NOTE 12</b>		
<b><u>TRADE RECEIVABLES</u></b>		
(Unsecured, Consider Good)		
More Than Six Months	5,446,507	10,610,075
Others	37,898,235	32,188,583
Total Rs.	<u>43,344,743</u>	<u>42,798,658</u>
<b>NOTE 13</b>		
<b><u>CASH &amp; BANK BALANCES</u></b>		
Cash in hand (As certified)	2,075,100	617,263
Balance with Banks in Current Account	9,288,601	469,198
Fixed Deposit with Scheduled Banks	450,718	491,605
Total Rs.	<u>11,814,420</u>	<u>1,578,066</u>
<b>NOTE 14</b>		
<b><u>SHORT TERM LOANS &amp; ADVANCES</u></b>		
Prepaid Expenses	125,349	154,763
Advance Income Tax / Recoverable	9,090,076	5,569,703
Advance to Suppliers & Others	192,336	319,142
Total Rs.	<u>9,407,761</u>	<u>6,043,608</u>

*F*

For AVSL INDUSTRIES PVT. LTD.

*Shamsul*  
Director

For AVSL INDUSTRIES PVT. LTD.

*[Signature]*  
Director

**AVSL INDUSTRIES PRIVATE LIMITED**

<u>PARTICULARS</u>	<u>FOR THE YEAR ENDED 31.03.2015</u>	<u>FOR THE YEAR ENDED 31.03.2014</u>
<b>NOTE 15</b>		
<b><u>OTHER INCOME</u></b>		
Interest Received	73,017	610,687
Discount Received	2,340,020	2,453,090
Other Income	28,542	11,048
Job Work Charges Received	212,729	222,468
	<u>2,654,308</u>	<u>3,297,293</u>

**NOTE 16**

**MATERIAL CONSUMED**

**(A) RAW MATERIALS**

Opening Stock	6,849,489	7,006,327
Purchased During The Year	<u>127,446,749</u>	<u>109,060,721</u>
Total	134,296,238	116,067,048
Less: Closing Stock	16,489,379	6,849,489
Less: Cost of Sale of Raw Material	-	-
Raw Materials Consumed	<u>117,806,859</u>	<u>109,217,559</u>

**(B) PACKING MATERIALS**

Opening Stock	27,478	36,808
Add: Purchased During The Year	<u>130,870</u>	<u>102,919</u>
	158,348	139,727
Less: Closing Stock	37,593	27,478
Packing Materials Consumed	<u>120,755</u>	<u>112,249</u>

Total Material Consumed Rs. (A+B)	<u>117,927,614</u>	<u>109,329,808</u>
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**NOTE 17**

**Cost of Trading Goods**

Opening Stock	-	-
Add: Purchased During The Year	<u>35,204,487</u>	<u>-</u>
	35,204,487	-
Less: Closing Stock	32,705,031	-
Cost of Trading Goods	<u>2,499,456</u>	<u>-</u>

**NOTE 18**

**INCREASE/DECREASE IN CLOSING STOCK  
OF FINISHED GOODS AND WORK-IN PROCESS**

<u>Closing Stock</u>		
Finished Goods	947,549	604,361
Work-In-Process	<u>1,836,420</u>	<u>1,698,102</u>
	2,783,969	2,302,463
<u>Less: Opening Stock</u>		
Finished Goods	604,361	4,433,880
Work-In-Process	<u>1,698,102</u>	<u>700,220</u>
	2,302,463	5,134,100
Total Rs.	<u>(481,506)</u>	<u>2,831,637</u>

For AVSL INDUSTRIES PVT. LTD.

*S. Basal*  
Director

For AVSL INDUSTRIES PVT. LTD.

*T. S. S.*  
Director

AVSL INDUSTRIES PRIVATE LIMITED

**PARTICULARS**

**FOR THE  
YEAR ENDED  
31.03.2015**

**FOR THE  
YEAR ENDED  
31.03.2014**

**NOTE 19**

**EMPLOYEE BENEFIT EXPENSES**

Salaries	150,613	229,323
Wages	1,588,368	1,949,051
ESI Employer Contributions	82,608	103,478
EPF Employer Contributions	165,970	133,765
Directors Remuneration	900,000	900,000
Total Rs.	<u>2,887,559</u>	<u>3,315,617</u>

**NOTE 20**

**FINANCIAL EXPENSES**

**Interest Paid**

On Unsecured Loans	209,794	1,076,424
On Medium Term Loan	498	46,898
Bank Charges	55,254	17,445
Currency fluctuation	1,116	-
Total Rs.	<u>266,662</u>	<u>1,140,767</u>

**NOTE 21**

**OTHER EXPENSES**

**(a) Manufacturing Expenses**

Power & Fuel	11,425,856	9,577,344
Cartage Inward	715,317	500,015
Total Rs.	<u>12,141,173</u>	<u>10,077,359</u>

**(b) Administrative Expenses**

Legal & Professional Charges	18,000	50,850
Printing & Stationeries	3,990	2,835
Postage, Telegram & Telephone Expenses	84,819	115,672
General Expenses	238,863	63,554
Rent Paid	316,140	-
Fees & Subscription	7,500	1,500
Service Tax Expenses	129,091	119,331
Filing Fees	23,300	3,000
Insurance Expenses	160,561	151,015
Bad Debts	-	-
Vehicle Maintenance	19,760	22,300
House Tax	-	111,254
Repair & Maintenance	58,971	38,105
<b><u>Auditors Remuneration</u></b>		
Audit Fees	39,326	39,326
Total Rs.	<u>1,100,321</u>	<u>718,742</u>

**(c) Selling & Distribution Expenses**

Cartage Outward	3,472,943	3,382,320
Discount on Sale	479,278	743,252
Clearing & Forwarding Expenses	70,574	-
Total Rs.	<u>4,022,795</u>	<u>4,125,572</u>

Total Rs. (a+b+c)

17,264,289      14,921,673

AVSL INDUSTRIES PVT. LTD.

*[Signature]*  
Director

For AVSL INDUSTRIES PVT. LTD.

*[Signature]*  
Director

**AVSL INDUSTRIES PRIVATE LIMITED**

**No. 22 : Other Note**

The accounts are prepared on the accrual basis under the historical cost convention in accordance with the provisions of the Companies Act, 2013 and with the Accounting standard issued by the Institute of Chartered Accountants of India.

Fixed Assets are stated at their historical cost less depreciation written off as per Method of useful life prescribed in Schedule of the Companies Act 2013. The Depreciation has increased by Rs. 3,01,016/- due to change in life of assets by companies at 2013.

The company followed system of valuation of raw materials, packing materials at cost (FIFO) and finished goods at cost or market price i.e. sales price less gross profit margin, whichever is lower respectively. Whereas valuation of waste material and work-in process are being taken on cost or realisation value whichever is lower.

The company is not making any provisions of gratuity or other retiring benefits of the employees. The same will be accounted for as and when paid.

The company had paid Rs. 10 lacs as an advance against recovery of central excise duty arises if any after scrutinizing the documents seized by central excise department during their searches at the premises of the company on 29.9.2011. It had furnished the bank guarantee of Rs 317965/- and surety bond of Rs 7217797/- for release of stocks impounded by the said department at that time. It has in custody of zerox copies of documents seized by said department.

**RELATED PARTIES TRANSACTION**

Name of the Related Parties	Relation	Name of Transaction	Opening	Volume of Transaction		Balance 31.03.2015
				Dr	Cr	
Ajay Bansal	Director	Salary	-	700,000.00	900,000.00	200,000.00 Cr.
		Loan	-	-	300,710.00	300,710.00 Cr.
Info Communication (India) Pvt. Ltd.	Director is Director	Sale	-	2,507,484.00	2,507,484.00	-
Ajay Bansal	Director	Loan	879,919.00	894,499.00	14,580.00	-
AVSL Foils Pvt. Ltd.	Director is Director	Advances	88,238.00	6,011,908.00	5,923,670.00	-
		Sale	-	614,556.00	614,556.00	-
		Purchase	-	1,000,000.00	6,605,316.00	5,605,316.00 Cr.
World Trading Global	Director is Proprietor	Advances	-	24,200,000.00	24,200,000.00	-
		Purchase	-	20,229,238.00	35,504,100.00	15,274,862.00 Cr.

**Current Year    Previous year**

**POTENTIAL LIABILITIES**

Claim against the company not acknowledged as debt	317,965	317,965
DR Deposited During the year Rs.4,50,718/- (Previous year Rs.4,14,794/- Against Bankguarantee)		
Surety bond of Rs. 7217797/- (Previous year Rs. 7217797/-) given in favour of Central Excise Department for release of stock impounded by the said department	7,217,797	7,217,797
Estimated amount of Outstanding Capital Commitment	Nil	Nil

For AVSL INDUSTRIES PVT. LTD.



*(Signature)*  
Director

For AVSL INDUSTRIES PVT. LTD.

*(Signature)*  
Director

AVSL INDUSTRIES PRIVATE LIMITED

No. 22 : Other Note  
Cont.; -2

<u>IF VALUE OF IMPORTS (Rs.)</u>	Nil	Nil
<u>EXPENDITURE IN FOREIGN CURRENCY</u>	Nil	Nil
<u>DB Value of Exports</u>	223,756	183,780

In the opinion of the Board, the current assets, loans and advances have a value on realisation in the ordinary course of business, at least equal to the aggregate amount as shown in the Balance Sheet

The outstanding balances of sundry debtors and creditors are as per the the books of accounts of the Company and are subject to confirmation.

The previous year figures have been regrouped/rearranged wherever found necessary.

Items 1 to 22 are forming part of Balance Sheet and Profit & Loss Account and have been authenticated by the directors

As per our report annexed  
for GUPTA JALAN & ASSOCIATES  
Chartered Accountants



R.N. Jalan  
Partner  
M.No. 082389

for and on behalf of board  
For AVSL INDUSTRIES PVT. LTD.

  
Director

(Sanjay Bansal)  
DIRECTOR  
DIN- 01467290

For AVSL INDUSTRIES PVT. LTD.

  
Director

Priti Bansal  
(Director)  
DIN-07107908

Delhi

20th day of Aug 2015

