

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF
M/s A.J. Shrink Wrap Private Limited.

Report on the Financial Statements

We have audited the accompanying financial statements of **M/S A.J. SHRINK WRAP PRIVATE LIMITED. ("the company")**, which comprise the Balance Sheet as at **31 March 2016**, the Statement of Profit and Loss account 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 stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation 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 adequate 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 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 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 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 operating effectiveness of such controls. 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 of the state of affairs of the Company as at **31st March 2016** its profit/loss and cash flows for the year ended on that date.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure A**, a statement on the matters Specified in paragraphs 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, Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
- d) 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.
- e) 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.
- f) With respect of adequacy of the internal financial control over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in **Annexure B** and
- g) Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014: in our opinion and to the best of our information and according to the explanations given to us.
- i) The Company does not have any pending litigations which would impact its financial position.
- ii) The Company did not have any Long-term contracts including derivatives contracts for which there were any material foreseeable losses.
- iii) There is no amount required to be transferred, to the Investor Education and Protection Fund by the company.

Date- 25th may 2016
Place- Patiala.

For ASHWANI VERMA & CO.
Chartered Accountants
Firm Registration Number-011780N



ASHWANI KUMAR VERMA
Proprietor
Membership No-090593

ANNEXURE A TO THE AUDITOR'S REPORT

The Annexure referred to in our report to the members of **A.J. SHRINK WRAP PRIVATE LIMITED, DELHI ("the Company")** for the year ended 31st March 2016. We report that;

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and the situation of fixed assets.
- (b) According to the information and explanations given to us, the physical verification of fixed assets have been carried out by the management and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable, having regard to the size of the company and nature of its assets.
- (c) In our opinion and according to the information and explanations given to us, the title deeds of immovable properties are held in the name of the company.
- (ii) As explained to us, company does not hold any physical inventories. Thus, paragraph 3(ii) of order is not applicable on the company.
- (iii) The company has not granted any loans, secured or unsecured to companies, firm, limited liability partnerships or other parties covered in the register maintained under section 189 of the companies act 2013.
- (iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the companies act 2013 with respect to loan and investments made.
- (v) In our opinion and according to the information and explanations given to us, the company has not accepted any deposit from the public.
- (vi) The Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the act 2013, in respect of the activities carried on by the company.



- (vii) (a) According to the records of company and information and explanation given to us, the company is regular in depositing undisputed statutory dues including, provident fund employees state insurance, income –tax, sales-tax, service-tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities during the year. There is no undisputed amounts payable, as at **31/03/2016** for a period of more than six months from the date they became payable.
- (b) According to information and explanation given to us there is no due of income tax, excise duty, sales tax, service tax, value added tax, duty of customs and cess which has not been deposited with appropriate authorities on account of any dispute.
- (viii) In our opinion and according to the information and explanations given to us, the company has not taken any loans or borrowing from banks/financial institution.
- (ix) In our opinion and according to the information and explanation given to us, the company did not raise any money by way of initial public offer or further public offer (including debt instrument) and term loans during the year.
- (x) According to information and explanation given to us, no material fraud by the company or on the company by its officer or employees has been noticed or reported during the course of our audit.
- (xi) According to information and explanation given to us and based on our examination of the records of the company, the company has not paid/provided for managerial remuneration in accordance with the provisions of section 197 read with schedule V to the companies Act:2013.
- (xii) In our opinion and according to the information and explanation given to us, the company is not a nidhi company.
- (xiii) In our opinion and according to the information and explanation given to us, transactions with the related parties are in compliance with section 177 and 188 of companies Act 2013 and the details of such transactions have been disclosed in the financial statements are required by the applicable accounting standards.
- (xiv) According to information and explanation given to us by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debenture during the year under review.



- (xv) According to information and explanation given to us by the management, the company has not entered into non cash transactions with directors or persons connected with him.
- (xvi) In our opinion, the company is not required to be registered under section 45-IA of Reserve Bank of India 1934.

For ASHWANI VERMA & CO.
Chartered Accountants

Firm Registration Number-011780N



ASHWANI KUMAR VERMA
Proprietor
Membership No-090593

Date- 25th may 2016
Place- Patiala.

ANNEXURE B TO THE AUDITOR'S REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **A.J. SHRINK WRAP PRIVATE LIMITED, DELHI (the company)** as of **31st March 2016** in conjunction with our audit of the standalone financial statements of the company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting based on our audit. We conduct our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("the Guidance Note") and Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute Of Chartered Accountants Of India. Those Standards and 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 were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of 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 assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error.



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

Meaning of Internal Financial Controls over Financial Reporting

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



Inherent Limitations of internal financial controls over financial reporting,

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

Opinion

In our opinion, the company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at **31 march 2016**, based on internal control over financial reporting criteria established by the company considering the essential components of internal control stated in Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by Institute of Chartered Accountants of India.

For ASHWANI VERMA & CO.
Chartered Accountants
Firm Registration Number-011780N



ASHWANI KUMAR VERMA
Proprietor
Membership No-090593

Date- 25th may 2016
Place- Patiala.

A.J. Shrink Wrap Private Limited
BALANCE SHEET AS AT 31ST MARCH 2016
[CIN: U74210DL2008PTC177521]

Particulars		Note No.	(Amount in Rs.)	
			As at 31.03.2016	As at 31.03.2015
I EQUITY AND LIABILITIES				
1 Shareholders' funds				
Share capital	2		5,460,000.00	5,460,000.00
Reserve & Surplus			(140,520.09)	(104,250.31)
			5,319,479.91	5,355,749.69
2 Non-current liabilities				
Long-term borrowings	3		3,555,238.00	-
			3,555,238.00	-
3 Current liabilities				
Trade payable	4		210,000.00	-
Other current liabilities	5		109,688.48	12,000.00
Short-term provisions	6		3,650.00	3,231.00
			323,338.48	15,231.00
TOTAL			9,198,056.39	5,370,980.70
II ASSETS				
1 Non-current assets				
Fixed assets - Land			3,996,184.00	3,016,309.00
Capital work-in-progress	7		1,987,393.12	-
Preliminary expenses			50,419.20	63,024.00
Long-term loans and advances	8		174,614.00	-
Deferred Tax Assets			72,801.59	72,801.24
			6,281,411.91	3,152,134.24
2 Current assets				
Cash and bank balances	9		372,251.68	1,685,247.46
Short-term loans and advances	10		2,544,392.80	533,599.00
			2,916,644.48	2,218,846.46
TOTAL			9,198,056.39	5,370,980.70
Significant Accounting Policies	1			
Notes on Accounting forming integral part of Accounts	2-25			

In term of our report attached

For ASHWANI VERMA & CO.
(Chartered Accountants)

Firm Registration Number: 011780N

Ashwani Verma

ASHWANI VERMA
Proprietor
M No. 90593

Date: 25th May, 2016
Place : NEW DELHI

For and on Behalf of the Board
For A.J. Shrink Wrap Private Limited

Jitin Jindal
JITIN JINDAL
Director
DIN: 00852568

Ankit Kumar Agrawal
ANKIT KUMAR AGRAWAL
Director
DIN: 06993515

A.J.Shrink Wrap Private Limited
PROFIT & LOSS & PREOPERATIVE EXPENDITURE ACCOUNT FOR THE PERIOD FROM 01/04/2015 to 31/03/2016
[CIN: U74210DL2008PTC177521]

				(Amount in Rs.)			
PARTICULARS	Profit & Loss a/c (Expenses up to 03.11.2015)	Addition during the year	TOTAL as on 31.03.2016	PARTICULARS	Profit & Loss a/c (Expenses up to	Addition during the year	TOTAL as on 31.03.2016
To Bank Charges	191.00	431.00	622.00	By Mics Income	-	73.00	73.00
To Consultancy Expenses	-	25,000.00	25,000.00				
To Electricity & Water Charges	5,000.00	13,866.64	18,866.64				
To Filing Fees	12,000.00	11,600.00	23,600.00	By Balance being expenditure during construction period (pending allocation) carried over to Balance Sheet.	36,269.78	6,08,298.92	6,44,568.70
To Postage	51.00	-	51.00				
To Machine Quality Test Expenses	-	13,206.00	13,206.00				
To Office Maintenance	-	20,670.00	20,670.00				
To Rent	-	2,41,148.00	2,41,148.00				
To Preliminary Expenses W/o	-	12,604.80	12,604.80				
To Swach Bharat Cess	-	2,315.40	2,315.40				
To Swach Bharat Cess (RCM)	-	879.40	879.40				
To Salary	-	50,000.00	50,000.00				
To Balance W/o	2,798.78	-	2,798.78				
To Legal & Professional Exp	15,000.00	18,500.00	33,500.00				
To Software Expenses	-	17,000.00	17,000.00				
To Interest on Loan	-	1,18,143.00	1,18,143.00				
To Interest on TDS	-	636.00	636.00				
To Audit Fees	-	15,000.00	15,000.00				
To Wct Expenses	-	47,371.68	47,371.68				
To Income Tax Expenses	1,229.00	-	1,229.00				
TOTAL	36,269.78	6,08,371.92	6,44,641.70	TOTAL	36,269.78	6,08,371.92	6,44,641.70

In term of our report attached

For ASHWANI VERMA & CO.
(Chartered Accountants)
Firm Registration Number: 011780M

Ashwani
(ASHWANI VERMA)
Proprietor
M No. 90593

Date: 25th May, 2016
Place : NEW DELHI



For and on Behalf of the Board
For A.J. Shrink Wrap Private Limited

Jitin Jindal
JITIN JINDAL
Director
DIN: 00852568

Ankit Kumar Agrawal
ANKIT KUMAR AGRAWAL
Director
DIN: 06993515

NOTE 1. Significant Accounting Policies:

1.1 Basis of Preparation of Financial Statements.

The financial statements have been prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules 2014, the provision of the Act (to the extent notified). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

1.2 Use of Estimates.

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that effect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and reported amounts of revenues and expenses for the year. Actual results could differ from these estimates. Any revision to accounting estimates is adjusted prospectively in the current and future periods.

1.3 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.



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A handwritten signature in blue ink, appearing to be "Anand Kumar" or similar.

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Share Capital

(Amount in Rs.)

Authorised, Issued, Subscribed and paid-up share capital and par value per share

Particulars	As at 31.03.2016	As at 31.03.2015
Authorised Share Capital 10,00,000 Equity shares (previous year 10,00,000) of Rs.10/-each fully paid up	10,00,000.00	10,00,000.00
Issued, Subscribed and Paid-up Share Capital 5,46,000 Equity shares (previous year 5,46,000) of Rs.10/-each fully paid up	5,460,000.00	5,460,000.00
Total	5,460,000.00	5,460,000.00

The company has only equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per

Reconciliation of number of equity shares outstanding at the beginning and at the end of the year

Number of shares outstanding as at the beginning of the year	546,000.00	546,000.00
Add:		
Number of shares allotted as fully paid-up shares during the year	-	-
Number of shares outstanding as at the end of the year	546,000.00	546,000.00

Shares in the company held by each shareholder holding more than 5% shares

SL. No.	Name of the shareholder	Number of shares as on 31.03.2016	% of Holding	Number of shares as on 31.03.2015	% of Holding
1	M/s Superior Industrial Enterprises Limited	278,460	51.00%	-	0.00%
2	Mr. Jitan Jindal	131,040	24.00%	-	0.00%
3	Mr. Ravi Jindal	136,500	25.00%	-	0.00%
4	Mr. Krishan Kumar Kukreja	-	0.00%	301,000	55.13%
5	Mr. Amit Kukreja	-	0.00%	131,500	24.08%
6	Mrs. Veena Kukreja	-	0.00%	88,500	16.21%
7	Mrs. Abha Kukreja	-	0.00%	25,000	4.58%



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3	Long term borrowings		
	Unsecured borrowings		
	Loans and advances from related parties	1,482,411.00	-
	Loans and advances from intercorporate	2,072,827.00	-
	Total	3,555,238.00	-
4	Trade payable		
	Trade payable	210,000.00	-
	Total	210,000.00	-
5	Other current liabilities		
	Other payables	99,688.48	12,000.00
	Salary Payable	10,000.00	-
	Total	109,688.48	12,000.00
6	Short term provision		
	Provision for Income tax	-	3,231.00
	Provision for Electricity Expenses	3,650.00	-
	Total	3,650.00	3,231.00
7	Capital work-in-progress		
	Building under construction	1,379,094.20	-
	Pre-operative and trial run expenditure	608,298.92	-
	Total	1,987,393.12	-
8	Long-term loans and advances		
	(Unsecured, considered good)		
	Security deposits	174,614.00	-
	Total	174,614.00	-
9	Cash and bank balances		
	Bank balance	141,774.68	1,205,258.68
	Cash on hand	230,477.00	479,988.78
	Total	372,251.68	1,685,247.46
10	Short-term loans and advances		
	Unsecured, considered good		
	Advance to suppliers	2,250,000.00	-
	Others	294,392.80	533,599.00
	Total	2,544,392.80	533,599.00



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11 Contingent liabilities and commitments (to the extent not provided for)
Contingent Liabilities

NIL

- 12 Statement of Profit & Loss is prepared up to 30.11.2015 as the company was taken over by the new management. New management has decided to install new project in company. After 30.11.2015 all the expenses has been transferred to pre operative expenses, After take over the company has not yet started any commercial activities.
- 13 In the opinion of Board of Directors Current Assets have been valued on realisation in the ordinary course of business at least equal to the amount at which these have been stated in the Balance Sheet as on 31.03.2016.
- 14 The bifurcation of the total outstanding dues of small scale industrial undertaking and other than small scale industrial undertakings as well as the name small scale industrial, undertaking to whom the company owes a sum of exceeding rupees one lacs and which is outstanding for more than thirty days, are not disclosed in the Balance Sheet as suppliers have not indicated their status on their documents/papers whether they are small scale undertaking or not hence it is not possible for the company to disclose the said information in respect of trade creditors.
- 15 The Company is setting up shrink wrap film Plant ("Project") in a Ind Plot No.233, Blok No. ecotech Extn, Sector Ecotech -1, Gr. Noida , Industrial Area, G.B. Nagar. Profit and loss account has been prepared up to the date of 30.11.2015. since the company has decided to install new project, expenditure incurred after 30.11.2015 has been transfered to pre-operative expenses and will be apportioned to the Assets on the completion of the Project Necessary details as per Schedule III to the Companies Act, 2013 have been disclosed below:
- 16 Previous year figures have been re-arranged and re-grouped wherever necessary.
- 17 In the opinion of the management, the aggregate value of current assets, loan and advances on realization in the ordinary course of business will not be less than the amount at which these are stated in the Balance Sheet.
- 18 Loans and receivables are subject to confirmations.
- 19 Previous year's figures have been regrouped /re classified, wherever necessary, to correspond with current year's classification / disclosure.
- 20 Earnings in Foreign Exchange are NIL.
- 21 Directors Remuneration: NIL
- 22 Expenditure over Income during construction period 2015-16 (Pending Allocation) have been carried over to Balance Sheet under the head Capital work in progress.
- 23 The company name has been changed from A.K.V GARMENTS PRIVATE LIMITED to **A.J. Shrink Wrap Private Limited** with effect from the date 18-JAN-2016. Company was originally incorporated with the name A.K.V GARMENTS PRIVATE LIMITED.



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A.J. Shrink Wrap Private Limited
[CIN: U74210DL2008PTC177521]
Notes Forming part of the financial statements

- 24 CIN of the company has been also changed from U18101DL2008PTC177521 to U74210DL2008PTC177521.
- 25 During the year 51% shares of A.J. Shrink Wrap Private Limited are held by Superior Industrial Enterprises Limited.

The accompanying notes form an integral part of the Financial Statements.

For ASHWANI VERMA & CO.
(Chartered Accountants)
Firm Registration Number: 011780N


(ASHWANI VERMA)
Proprietor
M No. 90593



Date: 25th May, 2016
Place : NEW DELHI

For and on Behalf of the Board
For A.J. Shrink Wrap Private Limited


JITIN JINDAL
Director
DIN: 00852568


ANKIT KUMAR AGRAWAL
Director
DIN: 06993515