

INDEPENDENT AUDITOR'S REPORT

**To,
The Members of BAPL Rototech Private Limited**

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **BAPL Rototech Private Limited** ("the Company"), which comprise the Balance Sheet as at 31 March, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the 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 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.

Auditors' 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 thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's

judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 31st March, 2016, and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Companies Act, 2013 we give in the Annexure 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 and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule of the Companies (Accounts) Rules, 2014.
 - (e) There are no observations or comments on the financial transactions or matters which have any adverse effect on the functioning of the Company.

- (f) On the basis of the 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.
- (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - 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 derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For ASP & Co
Chartered Accountants
Firm Regn. No: 000567N

Place: New Delhi
Date : 30-04-2016

Sd/-
Rajendra Prasad
Partner
Membership No. 098941

ANNEXURE-A*

THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF BAPL ROTOTECH PRIVATE LIMITED

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 BAPL Rototech Private Limited ("the Company") as of 31 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". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 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".

**For ASP & Co
Chartered Accountants
Firm Regn. No: 000576N**

**Sd/-
Rajendra Prasad
Partner
Membership No. 098941**

**Place: New Delhi
Date : 30-04-2016**

BAPL Rototech Private Limited
Annexure to Independent Auditors' Report for the period ended March 2016 (Referred to in Paragraph 1 under the Heading of "Report on Other Legal and Regulatory Requirements" of our Report of even date)

(i) Fixed Assets

- a) The Company is maintaining proper records showing full particulars including quantitative details and situation of its fixed assets.
- b) The fixed assets have been physically verified by the management during the year, which in our opinion is reasonable having regard to the size & nature of the company. No material discrepancies were noted on such verification.
- c) According to the information and explanations given to us, there are no immovable assets held by the company, hence clause C of paragraph 3 (i) of the order is not applicable to the Company.

(ii) Inventories

The Company is in stage of trial run and no business operations has been started and there is no inventory in hand at any point of time, hence paragraph 3 (ii) of the order is not applicable to the Company.

(iii) Loans given

The Company has not granted any Secured or unsecured loan to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Hence reporting under clause 3 (iii) (a), (b) and (c) does not arise.

(iv) Compliance of Sec. 185 & 186

The Company has not entered into any transaction in respect of loans, investments, guarantee and security which attracts compliance to provisions of section 185 & 186 of the Companies Act, 2013, therefore, paragraph 3 (iv) of the order is not applicable to the company.

(v) Public Deposit

During the year, the company has not accepted any deposits from the public, therefore, paragraph 3 (v) of the order is not applicable.

(vi) Cost Records

The Company is in stage of trail run and no business operations has been started, hence paragraph 3 (vi) of the order is not applicable to the Company.

(vii) Statutory Dues

a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has generally been regular in depositing its undisputed statutory dues including Provident Fund, income-tax, Sales-Tax, Wealth Tax, Service tax, value added tax, cess and Entertainment Tax etc.

There are no undisputed dues payable, outstanding as on 31st March, 2016 for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us, there are no amounts in respect of income tax, service tax etc. that have not been deposited with the appropriate authorities on account of any dispute.

(viii) According to information & explanations given to us, till date Company has not raised any loans or borrowings from financial institutions & banks. Therefore paragraph 3 (viii) of the order is not applicable to the company.

(ix) The Company has not raised money by way of initial public offer or further public offer (including debt instrument) any term loans during the period under audit therefore, paragraph 3 (ix) of the order is not applicable to the company.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud by the Company or any fraud on the company by its officers or employees has been noticed or reported during the year.

(xi) As explained, the company is not a Public Company. Therefore paragraph 3 (xi) of the order is not applicable to the company.

(xii) As explained, the company is not a Nidhi Company. Therefore paragraph 3 (xii) of the order is not applicable to the company.

(xiii) As per the information and explanations given by the management, all the transactions with the related parties are in compliance with section 188 of Companies Act, 2013 and the details have been disclosed in the financial statements etc., as required by the applicable accounting standards.

However requirements of section 177 of the Companies Act, 2013 are not applicable to the company.

- (xiv)** As per the information and explanations given by the management, company has made preferential allotment of Equity Shares during the year under review and requirements of section 42 of the Companies Act, 2013 have been complied with and the amount raised have been used for the purpose for which the funds were raised.
- (xv)** As per the information and explanations given by the management, the company has not entered into any non-cash transaction with directors or persons connected with him. Therefore paragraph 3 (xv) of the order is not applicable to the company.
- (xvi)** As per the information and explanations given by the management, company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Therefore paragraph 3 (xvi) of the order is not applicable to the company.

For ASP & Co
Chartered Accountants
Firm Regn. No: 000576N

Place: New Delhi
Date : 30-04-2016

Sd/-
Rajendra Prasad
Partner
Membership No. 098941

BAPL ROTOTECH PRIVATE LIMITED
BALANCE SHEET AS AT 31st MARCH, 2016

(Amount in ₹)

| | Note | As at 31st March'2016 |
|---|------|--------------------------|
| I EQUITY AND LIABILITIES | | |
| 1. SHAREHOLDERS' FUNDS | | |
| (a) Share Capital | 2 | 75,000,000 |
| (b) Reserves and surplus | 3 | (6,033,642) |
| | | 68,966,358 |
| 2. NON CURRENT LIABILITIES | | |
| (a) Long Term Provisions | 4 | 2,490,907 |
| | | 2,490,907 |
| 3. CURRENT LIABILITIES | | |
| (a) Trade Payables | 5 | 202,531 |
| (b) Other Current Liabilities | 6 | 13,483,645 |
| (c) Short-Term Provisions | 4 | 2,326,189 |
| | | 16,012,365 |
| Total | | 87,469,630 |
| II ASSETS | | |
| 1. NON CURRENT ASSETS | | |
| (a) FIXED ASSETS | 7 | |
| (i) Tangible Assets | | 655,459 |
| (ii) Tangible Assets | | 1,085,579 |
| (iii) Capital Work-in-Progress | | 9,550,340 |
| (iv) Intangible asset under development | | 10,299,347 |
| (b) Deferred Tax Assets (Net) | 8 | 2,702,405 |
| (c) Long Term Loans and Advances | 9 | 215,627 |
| | | 24,508,757 |
| 2. CURRENT ASSETS | | |
| (a) Trade Receivables | 10 | 120,401 |
| (b) Cash and cash equivalents | 11 | 56,944,281 |
| (c) Short Term Loans and Advances | 9 | 3,958,790 |
| (d) Other Current Assets | 12 | 1,937,401 |
| | | 62,960,873 |
| Total | | 87,469,630 |

Significant Accounting Policies

Notes forming part of the financial statements

1

1 to 22

The Notes referred to above form an Integral part of this statement

As per our attached report of even date

For ASP & Co

Chartered Accountants
Firm Reg. No.: 000576N

Sd/-
Rajendra Prasad
Partner
Membership No. : 098941

For and on behalf of the Board of Directors of
BAPL Rototech Private Limited

Sd/-
Amit D Patel
Director
Din: 00171035

Sd/-
Samir Joshipura
Director
Din: 2055515

Place: New Delhi
Date: 30-04-2016

Place: Ahmedabad
Date: 30-04-2016

Place: Ahmedabad
Date: 30-04-2016

BAPL ROTOTECH PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2016

(Amount in ₹)

| | Note | Year Ended 31st March'2016 |
|---|---------|-------------------------------|
| 1 INCOME | | |
| Revenue from operations | 13 | 104,925 |
| Other Income | 14 | 1,157,381 |
| Total Revenue (I) | | <u>1,262,306</u> |
| 2 EXPENSES: | | |
| Cost of raw materials consumed | 15 | 90,050 |
| Employee benefits expense | 16 | 5,659,774 |
| Depreciation | 17 | 165,331 |
| Other expenses | 18 | 4,083,198 |
| Total Expenses (II) | | <u>9,998,353</u> |
| 3 Profit Before Tax (I - II) | | <u>(8,736,047)</u> |
| 4 Tax expenses | | |
| Current Tax Expense for Current Year | | - |
| MAT Credit Entitlement | | |
| Current Tax Expense Related to Prior Years | | - |
| Net Current Tax Expense | | - |
| Deferred Tax | | <u>(2,702,405)</u> |
| Total Tax Expenses | | <u>(2,702,405)</u> |
| 5 Profit for the year after tax | | <u><u>(6,033,642)</u></u> |
| EARNINGS PER EQUITY SHARE | 19 | |
| Basic and Diluted Earnings Per Share (₹) | | (1.66) |
| Face Value per Share (₹) | | 10.00 |
| Significant Accounting Policies and Notes on Financial Statements | 1 | |
| Notes forming part of the financial statements | 1 to 22 | |

The Notes referred to above form an Integral part of this statement
As per our attached report of even date

For ASP & Co
Chartered Accountants
Firm Reg. No.: 000576N

For and on behalf of the Board of Directors of
BAPL Rototech Private Limited

Sd/-
Rajendra Prasad
Partner
Membership No. : 098941

Sd/-
Amit D Patel
Director
Din: 00171035

Sd/-
Samir Joshipura
Director
Din: 2055515

Place: New Delhi
Date:30-04-2016

Place: Ahmedabad
Date:30-04-2016

Place: Ahmedabad
Date:30-04-2016

BAPL ROTOTECH PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2016

| | Particulars | For the year ended March 31, 2016 | |
|----------|--|--------------------------------------|--------------|
| | | | |
| A | CASH FLOW FROM OPERATING ACTIVITIES | | |
| | Net Profit before tax & exceptional items | (8,736,047) | |
| | - Depreciation | 165,331 | |
| | - Interest Income | (1,157,381) | |
| | Adjustments for : | | |
| | (Increase) / Decrease in Trade Receivables | (120,401) | |
| | (Increase) / Decrease in Long Term and Short Term Loans and Advances | (4,058,790) | |
| | (Increase) / Decrease in Other Assets | (1,937,401) | |
| | Increase / (Decrease) in Trade Payables and other Liabilities | 13,686,176 | |
| | Increase / (Decrease) in Provisions | 4,817,096 | 2,658,583 |
| | Cash generated from Operations | | 2,658,583 |
| | Direct taxes paid | | (115,627) |
| | Cash flow before extraordinary items | | 2,542,956 |
| | Prior Period Adjustments (Other than Taxation) | | - |
| | Net cash from Operating Activities (A) | | 2,542,956 |
| B | CASH FLOW FROM INVESTING ACTIVITIES | | |
| | Purchase of Fixed Assets, CWIP, and capital advances | | (21,756,056) |
| | Interest Received | | 1,157,381 |
| | Net Cash used in Investing Activities (B) | | (20,598,675) |
| C | CASH FLOW FROM FINANCING ACTIVITIES | | |
| | Proceeds from Equity | | 75,000,000 |
| | Net cash used Financing Activities (C) | | 75,000,000 |
| | Net increase in cash and cash equivalents (A+B+C) | | 56,944,281 |
| | Cash and cash equivalents at the beginning of the year | | - |
| | Cash and cash equivalents at the end of the year | | 56,944,281 |
| | Components of Cash & Cash Equivalents | | |
| | Cash on Hand | | - |
| | Balances with banks: | | |
| | a) In current account | | 23,845,232 |
| | b) Deposit with original maturity of less than 3 months | | 33,099,049 |
| | Total Cash and Bank Equivalents (As per Note 11) | | 56,944,281 |

Significant Accounting Policies and Notes on Financial Statements.
Notes forming part of the financial statements

1
1 to 22

The Notes referred to above form an Integral part of this statement
As per our attached report of even date

For ASP & Co
Chartered Accountants
Firm Reg. No.: 000576N

For and on behalf of the Board of Directors of
BAPL Rototech Private Limited

Sd/-
Rajendra Prasad
Partner
Membership No. : 098941

Sd/-
Amit D Patel
Director
Din: 00171035

Sd/-
Samir Joshipura
Director
Din: 2055515

Place: New Delhi
Date: 30-04-2016

Place: Ahmedabad
Date: 30-04-2016

Place: Ahmedabad
Date: 30-04-2016

BAPL ROTOTECH PRIVATE LIMITED

Company Overview

BACKGROUND AND OPERATIONS

Incorporated in August 2015, BAPL Rototech Pvt. Ltd. is a Joint venture company between Sintex BAPL Ltd. and Rototech S.R.L. Italy with a shareholding pattern of 70% and 30% respectively. The purpose of entering into this joint venture and to set up the company is to increase the efficiency in the production, supply, distribution, storage, acquisition or control of products. At present the company has manufacturing plant situated at Pithampur (Indore, M.P.) for doing business of manufacturing and/or assembling of the products by utilising rotational molding and/or blow molding technology.

1 SIGNIFICANT ACCOUNTING POLICIES:

(a) Basis of preparation

The financial statements of the Company have been prepared in all material respect in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under Section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules 2014 and the relevant provision of the companies Act 2013 ('The 2013 Act')/Companies Act 1956 ('The 1956 Act'), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention.

(b) Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

(c) Fixed Assets:

Tangible:-

Fixed assets are carried at cost less accumulated depreciation / amortisation and impairment losses, if any. The cost of fixed assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use.

Fixed assets retired from active use are stated at the lower of their net book value and net realisable value and are disclosed separately.

Capital Work-in-Progress

Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest including exchange difference.

Intangible:-

In terms of Accounting Standard 26 "Intangible Assets", based on materiality, accounting prudence and significant economic benefits expected to flow therefrom for a period longer than one year, Technical Knowhow acquired alongwith the purchase of the business is accounted for at a value determined by the independent and approved valuers. Computer Software is accounted for at its actual cost.

(d) Impairment of Assets

The Company evaluates impairment losses on the fixed assets whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. If such assets are considered to be impaired, the impairment loss is then recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount, which is the higher of an asset's net selling price and value in use. For the purpose of assessing impairment, assets are grouped at the smallest level for which there are separately identifiable cashflows.

(e) Depreciation:

i) Depreciation on fixed assets is provided on the Written Down Value method over their estimated useful lives, as determined by the management, at the rates which are equal to the rates prescribed under Schedule II of the Companies Act, 2013. Depreciation is charged on a pro-rata basis for assets purchased / sold during the year.

ii) Intangible assets i.e. softwares, are amortised over a period of five years and Technical Knowhow is amortised over their useful life of ten years as estimated by the management on straight line method basis from the date of payment.

(f) Inventories

Inventories of finished goods, raw materials and work in progress are carried at lower of cost and net realisable value. Fuel and stores & spare parts are carried at cost after providing for obsolescence and other losses. Cost for raw materials, fuel, stores & spare parts are ascertained on weighted average basis. Cost for finished goods and work in progress is ascertained on full absorption cost basis and includes excise duty.

(g) Revenue Recognition

Revenue is recognized based on the nature of activity, when consideration can be reasonably measured and there exists reasonable certainty of its recoverability.

Revenue from sale of goods is recognised when substantial risk and rewards of ownership are transferred to the buyer under the terms of the contract.

Sales value is net of discount and inclusive of excise duty but does not include other recoveries such as handling charges, transport, octroi, etc.

(h) Foreign Currency Transactions

a) Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction. Foreign currency monetary items of the Company, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the Company are carried at historical cost.

b) Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

(i) Employees Benefits

a) Defined Contribution Plan

The Company's contributions paid / payable for the year to Provident Fund and Super Annuation are recognised in the Statement of Profit and Loss.

b) Defined Benefit Plan

The Company's liabilities towards gratuity, and leave encashment are determined using the projected unit credit method which considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. Past services are recognised on a straight line basis over the average period until the amended benefits become vested. Actuarial gain and losses are recognised immediately in the Statement of Profit and Loss as income or expense. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the balance sheet date on Government bonds where the currency and terms of the Government bonds are consistent with the currency and estimated terms of the defined benefit obligation.

(j) Accounting for Taxes

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each reporting date the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the Minimum Alternative tax (MAT) credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss account and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

(k) Leases

Assets acquired under lease where the Company has substantially all the risks and rewards incidental to ownership are classified as finance leases. Such assets are capitalised at the inception of the Lease at the lower of the fair value or the present value of minimum lease payments and a liability is created for an equivalent amount. Each Lease rental paid is allocated between the liability and the interest cost, so as to obtain a constant periodic rate of interest on the outstanding liability for each period.

Assets acquired on leases where a significant portion of the risks and rewards incidental to ownership is retained by the lessor are classified as operating Lease. Lease rentals are charged to the Statement of Profit and Loss on straight line basis.

(l) Earnings Per Share

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

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

(m) Cash and Cash Equivalents

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

(n) Segment Reporting

Identification of segments:

Segments are identified in line with AS-17 "segment Reporting", taking into consideration the internal organisation and management structure as well as the differential risk and returns of the segment.

Based on the Company's business model, manufacturing and/or assembling of the products by utilising rotational molding and/or blow molding technology have been considered as the only reportable business and geographical segment.

Segment Policies:

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

(o) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made based on technical evaluation and past experience. Provisions are not discounted to its present value and are determined based on management estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

Contingent assets are neither recognized nor disclosed in the financial statements. Contingent liabilities are not recognized but are disclosed by way of notes.

| (Amount in ₹) | |
|--|--|
| 2 SHARE CAPITAL | As at 31 March 2016 |
| 2.1 EQUITY SHARE CAPITAL | |
| Authorised Shares : | |
| 75,00,000 (Previous Year: Nil) equity shares of ₹ 10 each fully paid-up | 75,00,000 |
| Issues, subscribed and fully paid-up share : | |
| 75,00,000 (Previous Year: Nil) equity shares of ₹ 10 each fully paid-up | 75,00,000 |
| Total | 75,00,000 |
| 2.2 THE RECONCILIATION OF THE NUMBER OF SHARES OUTSTANDING | As at 31st March, 2016 No of Shares |
| Equity Shares at the beginning of the year | - |
| Add : Shares issued during the year | 7,50,000 |
| Less : Shares bought back during the year | - |
| | 7,50,000 |
| 2.3 Details of shareholders holding more than 5% shares in the Company | As at 31 March 2016 |
| | No of Shares % held |
| Sintex BAPL Limited | 5,250,000 (70.00%) |
| Rototech SRL | 2,250,000 (30.00%) |
| 2.4 Shares held by Holding Company | As at 31 March 2016 |
| Name of Holding Company | No of Shares % held |
| Sintex BAPL Limited | 5,250,000 (70.00%) |
| 2.5 Company has one class of shares i.e. Equity shares having a par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share. Equity Shareholders are eligible to dividend proposed by the Board of Directors as approved by Shareholders in the Annual General Meeting. In the event of liquidation of the company, the holders of equity share will be entitled to receive remaining assets of the company in proportion to the equity shares held after distribution of all preferential amount. | |
| 3 RESERVES AND SURPLUS | As at 31 March 2016 |
| Surplus / (Deficit) in Statement of Profit and Loss | |
| As per last Balance Sheet | - |
| Add : Loss during the year | (6,033,642) |
| Total | (6,033,642) |

(Amount in ₹)

| 4. PROVISIONS | As at 31 March 2016 | |
|--|---------------------|------------------|
| | Non Current | Current |
| Provision for Employee Benefits | | |
| (1) Provision for gratuity (Refer Note 19) | 1,562,023 | 80,897 |
| (2) Provision for leave benefits (Refer Note 19) | 928,884 | 46,912 |
| (3) Provision for Bonus | - | - |
| | 2,490,907 | 127,809 |
| Other provisions | | |
| (4) Provision for Expenses | | 2,198,380 |
| | - | 2,198,380 |
| TOTAL | 2,490,907 | 2,326,189 |

| 5. TRADE PAYABLES | As at 31 March 2016 |
|-------------------------------------|------------------------|
| Dues to Micro and Small Enterprises | - |
| Dues to others | 202,531 |
| TOTAL | 202,531 |

5.1 The identification of Micro, Small and Medium enterprises is based on the management's knowledge of their status. The Company has not received any intimation from suppliers regarding their status under "The Micro, Small and Medium Enterprises Development Act, 2006".

| 6. OTHER CURRENT LIABILITIES | As at 31 March 2016 |
|--|------------------------|
| (1) Other payables | |
| - Statutory Liabilities | 3,323,480 |
| - Creditors for Capital Goods \ Services | 8,756,886 |
| - Travelling Reimburesment to Employees | 301,472 |
| - Salary Payable | 1,086,711 |
| - Other liabilities | 15,096 |
| TOTAL | 13,483,645 |

7 . FIXED ASSETS

(Amount in ₹)

| Particulars | GROSS BLOCK (AT COST) | | | | DEPRECIATION | | | | NET BLOCK | |
|------------------------------------|-----------------------|------------------------------|-------------------------------|---------------------|---------------------|-----------------------------|-------------------------------|---------------------|---------------------|---------------------|
| | As at 01.04.2015 | Additions during the Year | Deductions during the Year | As at 31.03.2016 | As at 01.04.2015 | Provided during the Year | Deductions during the Year | As at 31.03.2016 | As at 31.03.2016 | As at 31.03.2015 |
| <u>TANGIBLE ASSETS</u> | | | | | | | | | | |
| Computers | - | 376,959 | - | 376,959 | - | 67,666 | - | 67,666 | 309,293 | - |
| Vehicles | - | 397,529 | - | 397,529 | - | 51,363 | - | 51,363 | 346,166 | - |
| Sub Total | - | 774,488 | - | 774,488 | - | 119,029 | - | 119,029 | 655,459 | - |
| <u>INTANGIBLE ASSETS</u> | | | | | | | | | | |
| Computer Software | - | 1,131,881 | - | 1,131,881 | - | 46,302 | - | 46,302 | 1,085,579 | - |
| Sub Total | - | 1,131,881 | - | 1,131,881 | - | 46,302 | - | 46,302 | 1,085,579 | - |
| TOTAL ASSETS | - | 1,906,369 | - | 1,906,369 | - | 165,331 | - | 165,331 | 1,741,038 | - |
| Previous Year | - | - | - | - | - | - | - | - | - | - |
| Capital Work in Progress | | | | | | | | | 9,550,340 | - |
| Intangible asset under development | | | | | | | | | 10,299,347 | - |

| (Amount in ₹) | | |
|--|----------------------------|-------------------|
| 8. DEFERRED TAX ASSETS (NET) | As at | |
| | 31 March 2016 | |
| Deferred Tax Assets | | |
| - On Expenses Allowable on Payment Basis | | 523,504 |
| - On Carry Forward losses | | 2,215,689 |
| | | 2,739,194 |
| Deferred Tax Liability | | |
| - Depreciation & Amortisation | | 36,788 |
| NET DEFERRED TAX ASSETS / (LIABILITY) | | 2,702,405 |
| 9. LOANS AND ADVANCES | As at 31 March 2016 | |
| | Non - Current | Current |
| Unsecured and considered good unless otherwise stated | | |
| (1) Security Deposit | 100,000 | - |
| (2) Travelling advances to Employees | - | 575,353 |
| (3) Advance to Suppliers | | 84,012 |
| (4) Other loans and advances | | |
| - Advance Income-tax | 115,627 | - |
| <i>[Net of Provision of ` Nil/- (Previous Year ` Nil/-)]</i> | | - |
| - Balances with statutory / government authorities | - | 3,058,115 |
| - Prepaid expenses | - | 241,310 |
| TOTAL | 215,627 | 3,958,790 |
| 10. TRADE RECEIVABLES | As at | |
| | 31 March 2016 | |
| Unsecured, considered good unless stated otherwise | | |
| (1) Receivables outstanding for a period exceeding six months from the date they are due for payment | | |
| Considered Good | | - |
| (2) Other receivables | | |
| Considered Good | | 120,401 |
| TOTAL | | 120,401 |
| 11. CASH AND BANK BALANCES | As at | |
| | 31 March 2016 | |
| Cash and cash equivalents | | |
| Balances with banks: | | |
| (a) In Current Accounts | | 23,845,232 |
| (b) In Deposit Accounts | | 33,099,049 |
| Cash on hand | | - |
| | | 56,944,281 |
| 12. OTHER ASSETS | As at 31 March 2016 | |
| | Non - Current | Current |
| Unsecured and considered good unless otherwise stated | | |
| (1) Interest Receivable | | |
| (a) Interest accrued on deposits | - | 54,561 |
| (2) Receivable against Gratuity & Leave Encashment | - | 1,882,840 |
| TOTAL | - | 1,937,401 |

(Amount in ₹)

13. REVENUE FROM OPERATIONS

2015 - 16

| | |
|--------------------|---------|
| Sale of Products | 118,041 |
| Less:- Excise Duty | 13,116 |

| | |
|--------------|----------------|
| TOTAL | 104,925 |
|--------------|----------------|

14. OTHER INCOME

2015 - 16

| | |
|---------------------------------------|-----------|
| Interest Income on - Bank deposits | 1,157,381 |
|---------------------------------------|-----------|

| | |
|--------------|------------------|
| TOTAL | 1,157,381 |
|--------------|------------------|

| | | (Amount in ₹) |
|--|--|------------------|
| 15. COST OF RAW MATERIALS CONSUMED | | 2015 - 16 |
| Opening Stock | | - |
| Add: Purchases | | 90,050 |
| | | 90,050 |
| Less: Closing Stock | | - |
| TOTAL | | 90,050 |
| 16. EMPLOYEE BENEFITS EXPENSE | | 2015 - 16 |
| (a) Salaries, Wages, Bonus and Other Benefits | | 3,736,425 |
| (b) Contribution to Provident Fund and Other Funds | | 312,010 |
| (c) Gratuity Expense (Refer note 19) | | 403,210 |
| (d) Provision for Other Employee Benefits | | 377,679 |
| (e) Welfare Expenses | | 830,450 |
| TOTAL | | 5,659,774 |
| 17. DEPRECIATION AND AMORTISATION EXPENSES | | 2015-16 |
| (1) Depreciation on Tangible Assets | | 119,029 |
| (2) Amortisation on Intangible Assets | | 46,302 |
| TOTAL | | 165,331 |
| 18. OTHER EXPENSES | | 2015-16 |
| (1) Insurance | | 3,500 |
| (2) Payment to Auditor (Refer details below) | | 100,000 |
| (3) Legal & Professional | | 519,569 |
| (4) Travelling and conveyance | | 1,935,127 |
| (5) Rates & Taxes | | 1,163,920 |
| (6) Communication | | 56,059 |
| (7) Business promotion | | 202,389 |
| (8) Miscellaneous Expenses | | 102,635 |
| TOTAL | | 4,083,198 |
| Payment to auditor | | |
| As auditor: | | |
| Audit fee | | 100,000 |
| Re-imbursement of Out-of Pocket Expenses | | - |
| Other Matters | | - |
| TOTAL | | 100,000 |
| 19. EARNINGS PER SHARE | | 2015-16 |
| Equity Shares (Nos.) | | 7,500,000 |
| Average shares for Basic/Diluted Earnings | | 3,638,178 |
| Profit/(Loss) for the year (` in Lacs) | | (6,033,642) |
| Basic/Diluted Earnings Per Share (`) | | (1.66) |

20. Details of Employee Benefits:

I Defined Contribution Plans

The Company makes Provident Fund and Superannuation Fund contributions to defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹ 1.96 Lacs (Year ended 31st March, 2016) for Provident Fund contributions and ₹ 1.01 Lacs (Year ended 31st March, 2016) for Superannuation Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

II Defined Benefit Plans

The Company offers the following employee benefit schemes to its employees:

- Gratuity (Unfunded)
- Compensated Absences (Unfunded)

(a) The amounts recognised in the Statement of Profit and Loss are as follows:

| Defined Benefit Plan | (Amount in ₹) | |
|---|-----------------------------|----------------------|
| | Year ended 31st March, 2016 | |
| | Gratuity | Compensated Absences |
| Current Service Cost | 1,642,920 | 975,796 |
| Interest Cost | - | - |
| Expected return on plan assets | - | - |
| Net actuarial (gain) / loss recognised during the year | - | - |
| Amount included under the head Gratuity Expenses in Note 16 "Employee Benefit Expenses" | 1,642,920 | 975,796 |

(b) The amounts recognised in the Balance Sheet are as follows:

| | Year ended 31st March, 2016 | |
|--|-----------------------------|----------------------|
| | Gratuity | Compensated Absences |
| Present value of non-funded obligation | 1,642,920 | 975,796 |
| Less : Fair value of plan assets | - | - |
| Net Liability included under the head Provision for Gratuity in Notes 4 "Provisions" | 1,642,920 | 975,796 |

(c) Changes in the present value of the defined benefit obligation representing reconciliation of opening and closing balance thereof are as follows:

| | Year ended 31st March, 2016 | |
|--|-----------------------------|----------------------|
| | Gratuity | Compensated Absences |
| Opening defined benefit obligation | - | - |
| Interest cost | - | - |
| Current service cost | 1,642,920 | 975,796 |
| Benefits paid | - | - |
| Actuarial (gains) / loss on obligation | - | - |
| Closing defined benefit obligation | 1,642,920 | 975,796 |

(d) The principal actuarial assumptions at the Balance Sheet date are as follows

| | Year ended 31st March, 2016 | |
|---|--------------------------------|--------------------------------|
| | Gratuity | Compensated Absences |
| Discount rate | 7.60% | 7.60% |
| Expected rate of salary increase | 6.00% | 6.00% |
| Mortality table | Indian Assured Lives (2006-08) | Indian Assured Lives (2006-08) |
| Proportion of employees opting for early retirement | 1% - 5% | 1% - 5% |

Notes

- The estimates of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.
- Amounts for the current and previous four periods as per Para 120(n)(i) of Accounting Standard 15 "Employee Benefits" (Revised, 2005) are as follows:

| Particulars | Gratuity (₹) |
|--|--------------|
| | 2015-16 |
| Defined benefit obligation | 1,642,920 |
| Fare Value of Plan Assets | - |
| Surplus / (deficit) in the plan | (1,642,920) |
| Actuarial (Gain) / Loss on Plan Obligation | - |
| Actuarial (Gain) / Loss on Plan Assets | - |

21. Related Party Disclosure as per Accounting Standard 18

(i) In accordance with the requirements of Accounting Standard - 18 on Related Party Disclosures, the names of the related parties where control exists and with whom transactions have taken place during the year and description of relationships as identified and certified by the management are given below:

(A) Relationships**(i) Holding Company**

Sintex BAPL Limited

(ii) Associate Company

Rototech S.R.L

(iii) Key Management Personnel and their relatives:

1. Mr. Gagandeep Singh (Director)
2. Mr. G. Raju (Chief Executive Officer)
3. Mr. Preetam Kumar (Chief Financial Officer)

(B) Transaction with related parties and outstanding at the end of the year:

(Amount in ₹)

| Description of the nature of the transactions | Sintex BAPL Limited | Rototech S.R.L | Mr. G. Raju | Mr. Preetam Kumar |
|---|---------------------|----------------|-------------|-------------------|
| | 2015-16 | 2015-16 | 2015-16 | 2015-16 |
| Purchase of Stock in Trade* | 90,050 | - | - | - |
| Purchase of Plant & Machinery* | 10,268,328 | - | - | - |
| Recovery of Revenue Expenses | 2,107,165 | - | - | - |
| Reimbursement of Revenue Expenses | 3,022,412 | - | - | - |
| Fees for Technical Assistance | - | 9,762,415 | | |
| Allotment of Equity Shares | 52,500,000 | 22,500,000 | - | - |
| Managerial Remuneration | - | - | 1,504,190 | 646,990 |
| Outstanding Payable | - | 8,756,886 | | |
| Outstanding Payable - Reimb. Expenses | 26,711 | - | 17,254 | 109,204 |
| Outstanding Receivable - Reimb. Expenses | 1,990,663 | - | - | - |

* Net of Taxes Paid

22. Other Notes

22.1 Expenditure in foreign currency

| Particulars | Current Year |
|-------------------------------|--------------|
| Fees for Technical Assistance | 9,762,415 |
| Travelling Expenses | 487,660 |

22.2 Foreign currency exposure not hedged

Foreign currency exposure of the company that are not hedged by derivative instruments as on 31st March'16, amounts to ₹ **97.62 Lacs** (Previous Year ₹ Nil).

22.3 The company is incorporated in August'2015 and this is the first financial statements of the company, so previous year figures are not given.

22.4 Balances of Sundry Creditors, Sundry debtors, Loans & advances, etc. are subject to confirmation and reconciliation, if any.

22.5 In the opinion of Board of Directors; Current Assets, Loans & Advances (Including Capital Advances) have a value on realization in the ordinary course of business atleast equal to the amount at which they are stated, Adequate Provisions have been made in the accounts for all the known liabilities.

For ASP & Co

Chartered Accountants

Firm Reg. No.: 000576N

Sd/-

Rajendra Prasad

Partner

Membership No. : 098941

Place: New Delhi

Date:30-04-2016

For and on behalf of the Board of Directors of

BAPL Rototech Private Limited

Sd/-

Amit D Patel

Director

Din: 00171035

Place: Ahmedabad

Date:30-04-2016

Sd/-

Samir Joshipura

Director

Din: 2055515

Place: Ahmedabad

Date:30-04-2016