



**INDEPENDENT AUDITORS REPORT**

To  
The Members of GLITTER AGENCIES PRIVATE LIMITED

**Report on the Financial Statements**

We have audited the accompanying financial statements of "GLITTER AGENCIES PRIVATE LIMITED" which comprises the Balance Sheet as at 31 March 2017 and the Statement of Profit and Loss 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 and financial performance 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 financial statements based on our audit.

1. 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.
2. 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.

3. 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. 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.
4. 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 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 2017, and its profit/loss 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 Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraph 4 and 5 of the order.
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 purpose of our audit;
  - b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. The financial statements 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 2017 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of section 164(2) of the Companies Act 2013;
- f. 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.
  - iv. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its Fixed Assets.  
  
(b) As explained Fixed Assets have been physically verified by the management at reasonable intervals and no material discrepancy has been noted on such verification.  
  
(c) In our opinion and according to information and explanation given to us, no Fixed Asset has been disposed off during the year and therefore does not affect the going concern assumption.
  - v. The Company has provided requisite disclosure in its financial statement as to holdings as well as dealing in specified bank notes during the period 08<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016 and these are in accordance with the books of accounts maintained by the Company.

For Majumdar Mukherjee & Associates  
CHARTERED ACCOUNTANTS  
F.R.N.: 328976E

Place: Kolkata  
Date: The 10<sup>th</sup> Day of April, 2017

sd/-

(Amitava Mukherjee)  
Partner  
M. No.: 052788

**GLITTER AGENCIES PRIVATE LIMITED**

Balance Sheet as at 31st March, 2017

	Notes	As at 31st March, 2017		As at 31st March, 2016	
<b><u>EQUITY &amp; LIABILITIES</u></b>					
<b>Shareholders' Funds</b>					
(a) Share Capital	2	49,900,000		49,900,000	
(b) Reserves & Surplus	3	<u>(2,023,881)</u>	47,876,119	<u>(1,100,670)</u>	48,799,330
<b>Non-Current Liabilities</b>					
(a) Long-term Borrowings	4			35,193,661	
(b) Other Long-term Liability		101,451,884	101,451,884	56,451,884	91,645,545
<b>Current Liabilities</b>					
(a) Other Current Liabilities	5	<u>399,279</u>	399,279	<u>16,209,221</u>	16,209,221
<b>TOTAL</b>			<u><b>149,727,282</b></u>		<u><b>156,654,096</b></u>
<b><u>ASSETS</u></b>					
<b>Non-Current Assets</b>					
(a) Fixed Assets					
(i) Building	6	149,451,319		-	
(ii) Capital workin progress		-		143,601,650	
(b) Long-Term Loans and Advances	7	<u>-</u>	149,451,319	<u>12,204,813</u>	155,806,463
<b>Current Assets</b>					
(a) Cash and Cash equivalents	8	222,963		812,633	
(b) Short-term Loans and Advances	7	53,000	275,963	35,000	847,633
<b>TOTAL</b>			<u><b>149,727,282</b></u>		<u><b>156,654,096</b></u>
Significant Accounting Policies	1				

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For and on behalf of the Board

For, Majumdar Mukherjee &amp; Associates

Chartered Accountants

FRN - 328976E

sd/-

sd/-

(Amitava Mukherjee)

M No. 052788

sd/-

Directors

10.04.2017

Kolkata

**GLITTER AGENCIES PRIVATE LIMITED**

Statement of Profit and Loss for the year ended 31st March 2017

	Notes	Year ended 31st March, 2017	Year ended 31st March, 2016
I. Revenue from operations		-	-
II. Other Income	9	180,000	-
III. Total Revenue (I + II)		<u>180,000</u>	<u>-</u>
IV. Depreciation and amortization expenses	6	555,188	
V. Expenses:			
(a) Other expenses	10	548,023	766,944
Total expenses		<u>1,103,211</u>	<u>766,944</u>
VI. Profit before tax (III - IV)		(923,211)	(766,944)
VII. Tax Expenses			
(a) Current Tax		-	-
(b) Deferred Tax		-	-
VIII. Profit/(Loss) for the Period (V - VI)		(923,211)	(766,944)
IX. Earning per Equity Share ( nominal value of share Rs.10)			
(a) Basic		(0.19)	(0.15)
(b) Diluted		(0.19)	(0.15)

The accompanying notes are an integral part of the financial statements

As per our report of even date

For and on behalf of the Board

For, Majumdar Mukherjee & Associates  
Chartered Accountants  
FRN - 328976E

sd/-  
(Amitava Mukherjee)  
M No. 052788

sd/-  
sd/-

Directors

10.04.2017  
Kolkata

# GLITTER AGENCIES PRIVATE LIMITED

Notes to the financial statements for the year ended 31st March, 2017

## 1. Significant Accounting Policies

### 1.1 Basis of Preparation of Financial Statements

The Financial Statements have been prepared under the historical cost convention and in accordance with the provisions of the Companies Act, 2013. Accounting policies not referred to otherwise are consistent and are in consonance with the generally accepted accounting principles in India.

### 1.2 Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known / materialized.

### 1.3 Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as a part of the cost of such assets. All other borrowing costs are charged to revenue.

### 1.4 Taxes on Income

Provision for Income Tax is made on the basis of estimated taxable income for the period at current rates. Tax expense comprises both Current Tax and Deferred Tax at the applicable enacted or substantively enacted rates. Current Tax represents the amount of Income Tax payable/recoverable in respect of taxable income/ loss for the reporting period. Deferred Tax represents the effect of timing difference between taxable income and accounting income for the reporting period that originates in one year and are capable of reversal in one or more subsequent years.

### 1.5 Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the Notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

### 1.6 Revenue Recognition

All expenses and income to the extent considered payable and receivable respectively, unless otherwise stated, are accounted for on accrual basis. 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.

	31 March, 2017	31 March, 2016
	Rs	Rs
<b>2. Share Capital</b>		
<b>a) Capital Structure</b>		
Authorised		
49,90,000 Equity Shares of Rs. 10/- each.	49,900,000	49,900,000
(Previous year - 49,99,000 Equity Shares of Rs. 10/- each.)		
	<u>49,900,000</u>	<u>49,900,000</u>
Issued, Subscribed and Fully Paid Up		
49,90,000 Equity Shares of Rs. 10/- each.	49,900,000	49,900,000
(Previous year - 49,99,000 Equity Shares of Rs. 10/- each.)		
	<u>49,900,000</u>	<u>49,900,000</u>

### b) Share Capital Reconciliation

Equity Shares	31 March 2017		31 March 2016	
	Nos.	Amount	Nos.	Amount
Opening balance	4,990,000	49,900,000	10,000	100,000
Issued during the period			4,980,000	49,800,000
Closing Balance	<u>4,990,000</u>	<u>49,900,000</u>	<u>4,990,000</u>	<u>49,900,000</u>

**GLITTER AGENCIES PRIVATE LIMITED**

Notes to the financial statements for the year ended 31st March, 2017

**c) Particulars of Equity Shareholders holding more than 5% Shares at Balance Sheet date**

	31 March 2017		31 March 2016	
	No. of shares	% holding	No. of shares	% holding
Basant Kumar Agrawal			3,481,500	69.77%
Pondy Technologies Ltd.			1,500,100	30.06%
Navneet Manaksia			5,000	0.10%
Saroj Devi Agrawal			3,400	0.07%
Manaksia Industries Ltd	4,990,000	100.00		

**3. Reserves & Surplus**
**Surplus/(Deficit) in the Statement of Profit & Loss**

Opening balance	(1,100,670)	(333,726)
Profit/(Loss) for the year	(923,211)	(766,944)
Net Surplus/(Deficit) at the end of the year	(2,023,881)	(1,100,670)
<b>Total Reserves &amp; Surplus</b>	<b>(2,023,881)</b>	<b>(1,100,670)</b>

31 March, 2017	31 March, 2016
Rs	Rs

**4. Long-term Borrowings**
**(a) Secured**

Term Loan from Bank (*)	-	35,193,661
( Secured by mortgage of immovable property at Belvedere Road and Corporate Guarantee of Holding Company - M/s Arena Machineries Ltd. )		

**(b) Other Long term liability (Unsecured)**

Rent deposit (from Holding Company)	45,000,000	-
Other Liabilities	56,451,884	56,451,884
	<b>101,451,884</b>	<b>91,645,545</b>

**5. Other Current Liabilities**

Current Maturities of long-term debt	-	8,252,561
Advance received	-	6,404,938
Other payables	-	-
Statutory Dues Payable	-	2,548
Others (year end accruals for expenses & vendor liabilities)	396,731	1,549,174
	<b>399,279</b>	<b>16,209,221</b>

**7. Loans and Advances**

(Unsecured, considered good, unless otherwise stated)

	Long-Term		Short-Term	
	31 March 2017	31 March, 2016	31 March 2017	31 March, 2016
Capital Advances	-	12,204,813	-	-
Other loans and advances	-	-	53,000	35,000
Advances recoverable in cash or kind	-	-	53,000	35,000
	<b>-</b>	<b>12,204,813</b>	<b>53,000</b>	<b>35,000</b>

**8. Cash and Cash Equivalents**

	31 March 2017	31 March, 2016
Balances with banks in Current Accounts	168,699	758,369
Cash in hand	54,264	54,264
	<b>222,963</b>	<b>812,633</b>

GLITTER AGENCIES PRIVATE LIMITED

NOTE NO.: 6  
FIXED ASSETS

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As at 01.04.2016	Additions	Deletions	As at 31.03.17	As at 01.04.16	For the Year	As at 31.03.17	As at 31.03.16
BUILDING	-	150,006,507	-	150,006,507	-	555,188	149,451,319	-
TOTAL	-	150,006,507	-	150,006,507	-	555,188	149,451,319	-
CWIP	143,601,650	6,404,857	150,006,507	-	-	-	-	143,601,650