



INDEPENDENT AUDITOR'S REPORT

To The Members of ADVANCE MULTITECH LIMITED

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of **ADVANCE MULTITECH LIMITED** ("the Company"), which comprise the Balance Sheet as at **March 31, 2019**, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at **March 31, 2019**, and its profit, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

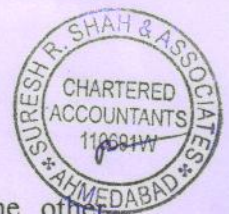
We conducted our audit of the financial statements in accordance with the standard on auditing specified u/s. 143(10) of the act (SAs). Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of financial statements section of our report. We are independent of the company in accordance with the code of ethics issued by ICAI together with Independence Requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide the basis for our audit opinion on the financial statements.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. There is no key audit matter with respect to financial statements to be communicated in our report.

Information other than Financial Statements and Auditor's Report thereon

The company's Board of Directors' are responsible for the preparation of the other information. The other information comprises the information included in the management discussion and analysis, board's report including annexure to board's report, Business



responsibility report, Corporate governance and Shareholder's information but does not include the financial statement and our auditor's report thereon.

Our opinion on the financial statements does not cover the information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is material misstatement of this other information, we are required to report the fact. We have nothing to report in this regard.

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 of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

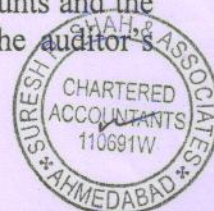
This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments 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. In conducting 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 and the Order issued under section 143(11) of the Act.

We conducted our audit of the financial statements 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



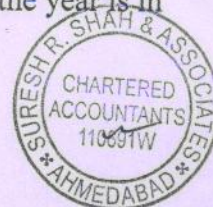
judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the audit or consider internal financial control relevant to the Company's preparation of the financial statements that give a true and 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

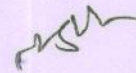
- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) the Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the afore said financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) on the basis of the written representations received from the directors of the Company as on **March 31, 2019** taken on record by the Board of Directors, none of the directors is disqualified as on **March 31, 2019** from being appointed as a director in terms of Section 164(2) of the Act.
- f) with respect to the adequacy of the **internal financial controls over financial reporting** of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amend:
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its Directors during the year is in accordance with the provisions of Section 197 of the Act.



- 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**, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the **Companies (Auditor's Report) Order, 2016** ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure B**" a statement on the matters specified in paragraphs 3 and 4 of the Order.

Place: Ahmedabad
Date: 30-5-2019

Suresh R Shah & Associates
Chartered Accountants
FRN: 110691W



Mrugen K Shah
(Partner)
M. No.: 117412



ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **ADVANCE MULTITECH LIMITED** of even date)

Report on the Internal Financial Controls Over Financial Reporting 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 **ADVANCE MULTITECH LIMITED** ("the Company") as of **March 31, 2019** in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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, 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 internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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.

Limitations of Internal Financial Controls Over Financial Reporting

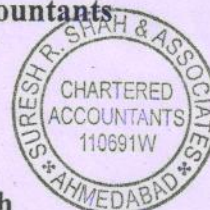
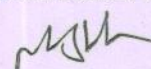
Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, 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.

Place: Ahmedabad
Date: 30-05-2019

Suresh R Shah & Associates
Chartered Accountants
FRN:110691W



Mrugen K Shah
(Partner)
M. No.: 117412



ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of ADVANCE MULTITECH LIMITED of even date)


- i. In respect of the Company's fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the financial statements, the lease agreements are in the name of the Company.
- ii. (a) The management of the company has conducted the physical verification of inventory at reasonable intervals.
(b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of accounts were not material.
- iii. According to the information and explanations given to us the Company has not granted secured or unsecured loans to any Company, Firm, Limited Liability Partnership or other party 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 Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- v. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at **March 31, 2019** and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.
- vii. According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Value Added Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.



- (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Value Added Tax, Goods and Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues in arrears as at **March 31, 2019** for a period of more than six months from the date they became payable.
- viii. The Company has taken loans or borrowings from banks but there is no default in repayment of the same. Moreover, the company has not any taken loan or borrowing from financial institution or has not issued any debentures, hence reporting for the same under clause 3 (viii) of the Order is not applicable to the Company.
- ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3(ix) of the Order is not applicable to the Company.
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations given to us, the company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Place: Ahmedabad
Date: 30-05-2019

Suresh R Shah & Associates
Chartered Accountants
FRN:110691W


Mrugen K Shah
(Partner)
M. No.: 117412



ADVANCE MULTITECH LIMITED

STATEMENT OF ASSETS AND LIABILITIES AS AT 31.03.2019

Particulars	Note No.	As at 31-03-2019	As at 31-03-2018
ASSETS			
(A) Non Current Assets			
(i) Property, Plant and Equipment	3	70,986,301	74,003,157
(ii) Capital Work in Progress	3	5,341,721	3,854,098
(iii) Financial Assets			
(a) Investments	4	5,710,616	5,710,616
(b) Loans & Advances	5	579,300	1,894,979
(B) Current assets			
(i) Current investments			
(a) Inventories			
(ii) Financial Assets	6	48,556,351	31,344,860
(a) Trade Receivables	7	63,254,188	65,683,350
(b) Cash & Cash Equivalent	8	2,997,332	4,980,715
(c) Loans & Advances	9	4,008,833	762,642
TOTAL ASSETS		201,434,642	188,234,417
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	10	40,285,710	40,285,710
Other Equity	11	47,295,016	43,908,461
Liabilities			
Non Current Liabilities			
Financial Liabilities			
Borrowings	12	24,052,701	23,533,067
Deferred Tax Liabilities (Net)	13	2,954,239	2,891,079
Current Liabilities			
Financial Liabilities			
Borrowings	14	27,939,349	29,212,944
Trade Payables	15	54,589,838	43,514,868
Short-Term Provisions	16	4,150,033	4,003,778
Other Current Liabilities	17	167,756	884,511
TOTAL EQUITY AND LIABILITIES		201,434,642	188,234,417

As per our report of even date
For, Suresh R Shah & Associates
Chartered Accountants
Firm Reg. No: 110691W

Mrugen K Shah
Partner
M.No. 117412
Place :- Ahmedabad
Date :- 30-05-2019



Niral Sodavadiya
Company Secretary

For, Advance Multitech Ltd

For and on behalf of

ADVANCE MULTITECH LIMITED

ARVIND GOENKA
MD
DIN 0093200

Place :- Ahmedabad
Date :- 30-05-2019

PULKIT GOENKA
Director & CFO
DIN 00177230

For, Advance Multitech Ltd

Director

Note no. 3 : Property, Plant and Equipment

ADVANCE MULTITECH LIMITED

Notes to the Financial Statements for the Year ended 31st March, 2019

Particulars		As at March 31, 2019	As at March 31, 2018
NON CURRENT ASSETS			
4	FINANCIAL ASSET INVESTMENTS		
	Riddhi Steel Tube Pvt Ltd	2,116,200	2,116,200
	Share Nidhi Co-op Bank Ltd	400	400
	Share of Ad. Petrochemical Ltd	3,594,016	3,594,016
Total		5,710,616	5,710,616
NON CURRENT ASSETS			
5	FINANCIAL ASSET LONG TERM LOANS AND ADVANCES		
	Unsecured Considered Good	579,300	176,400
Total		579,300	1,718,579
CURRENT ASSETS			
6	INVENTORIES		
	Raw Material	36,931,630	17,868,187
	Finished Goods	4,928,000	6,120,000
	Work in Progress	6,696,721	7,356,673
Total		48,556,351	31,344,860
CURRENT ASSETS			
7	FINANCIAL ASSET TRADE RECEIVABLES		
	(Unsecured considered good)		
	Over Six Months	19,007,115	6,413,173
	Others	44,247,073	59,270,177
Total		63,254,188	65,683,350
CURRENT ASSETS			
8	FINANCIAL ASSET CASH AND CASH EQUIVALENT		
	Cash on Hand	109,754	2,295,953
	Balance with Scheduled Banks		
	a. in Current Accounts	28,284	9,921
	b. in Term Deposits	2,859,294	2,674,841
Total		2,997,332	4,980,715
CURRENT ASSETS			
	FINANCIAL ASSET		

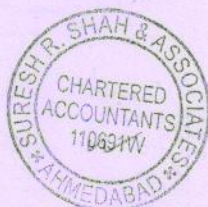


9 LOANS AND ADVANCES

Advance Tax & TDS		
Excise	433,233	506,578
VAT Receivable	30,000	30,000
Prepaid Insurance		
RCM Receivable	128,363	94,393
Service Tax Receivable		27,636
Interest Receivable		4,200
Prepaid Exps	296,339	99,835
GST Receivable		
Deposits	1,402,319	
	1,718,579	
Total	4,008,833	762,642



Particulars		As at March 31,2019	As at March 31,2018
11	OTHER EQUITY		
	Reserves & surplus		
	Retained Earnings	38,448,977	35,062,422
	Security Premium	7,921,000	7,921,000
	Investment allowance reserve	925,039	925,039
		47,295,016	43,908,461
	Reserves Representing Unrealised gains/(loss)		
	Equity instruments through other comprehensive income	-	-
	Total	47,295,016	43,908,461
Non Current Liabilities			
	Financial Liabilities		
12	Borrowings		
12.1	Secured Loans		
	OBC Term Loan A/c. 017025000106	-	-
	OBC Term Loan A/c. 01707025000591	-	4,539,752
	BMW India Finance Pvt Ltd	-	-
	OBC Car Loan A/c. 10516516000394	72,399	295,332
	OBC Car Loan A/c. 10516511000677	922,147	-
	OBC Car Loan A/c. 10516511000592	2,134,304	-
	Kotak Mahindra Prime Ltd	-	-
		3,128,850	4,835,084
12.2	Unsecured Loans		
	From Related parties	20,323,851	18,097,983
	Inter Corporate	600,000	600,000
	Total	24,052,701	23,533,067
Particulars		As at March 31,2019	As at March 31,2018
13	Deferred Tax Liabilities		
	For the Timing Differences in Depreciation	2,954,239	2,891,079
	Total	2,954,239	2,891,079
Current Liabilities			
	Financial Liabilities		
14	BORROWINGS		
	Short Term Borrowing		
	Secured		
	Cash Credit with Banks	27,939,349	29,212,944
	Total	27,939,349	29,212,944



Current Liabilities		
Financial Liabilities		
15	TRADE PAYABLES Creditors	
		54,589,838
		43,514,868
	Total	54,589,838
		43,514,868
16	SHORT TERM PROVISION	
	Provision for Tax	1,200,000
	Other Provisions	2,950,033
		1,650,000
		2,353,778
	Total	4,150,033
		4,003,778
17	OTHER CURRENT LIABILITIES	
	Provision for GST	-
	TDS & Professional Tax	167,756
		752,397
		132,114
	Total	167,756
		884,511



ADVANCE MULTITECH LIMITED

STATEMENT OF PROFIT & LOSS ACCOUNT OFR THE YEAR ENDED MARCH 31,2019

PARTICULARS		Amount in (Rs.)	
	Note No.	Year Ended 31.03.2019	Year Ended 31.03.2018
I Revenue from Operations	18	149101072	136,900,852
II Other Income	19	759476	2,838,151
III Total Income (I+II)		149,860,548	139,739,003
IV EXPENSES			
(1) Cost of Materials Consumed	20	102,518,056	100,641,591
(2) Purchase of Stock-In-Trade			
(3) Changes in Inventories of Finished Goods, Work-In-Progress and Stock-In-Trade	21	1,851,952	(4,837,149)
(4) Employee Benefits Expense	22	15,394,324	12,920,560
(5) Finance Cost	23	5,098,845	5,620,722
(6) Depreciation and Amortisation Expense	3	6,898,129	6,961,286
(7) Other Expenses	24	13,377,923	9,758,443
Total Expenses (IV)		145,139,229	131,065,453
V Profit before Exceptional Items and Tax (III-IV)		4,721,319	8,673,550
VI Exceptional Items			
VII Profit before Tax		4,721,319	8,673,550
VIII Tax Expense			
(1) Current Tax		1,271,604	1,650,000
(2) (Excess) / Short Provision of Income Tax		-	(102,387)
(3) Deferred Tax		63,160	226,893
IX Profit (Loss) for the period from continuing operations (VII-VIII)		3,386,555	6,899,045
X Profit /(Loss) from discontinued operations		-	-
XI Tax Expense of discontinued operations		-	-
XII Profit (Loss) from discontinuing operations (after tax) (X-XI)		-	-
XIII Profit (Loss) for the period (IX-XIII)		3,386,555	6,899,045
XIV Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss			
(ii) Income tax relating to items that will not be reclassified to profit or loss			
B (i) Items that will be reclassified to profit or loss			
(ii) Income tax relating to items that will be reclassified to profit or loss			
XV Total Comprehensive Income for the Period (XIII+XIV)		3,386,555	6,899,045
XVI Earnings Per Equity Share			
(1) Basic		0.83	1.69
(2) Diluted		0.83	1.69

As per our report of even date
For, Suresh R Shah & Associates
Chartered Accountants
Firm Reg. No: 110691W

Mrugen K Shah
Partner
M.No. 117412
Place :- Ahmedabad
Date :- 30-05-2019



For, Advance Multitech Ltd.

Niral Sodavadiya
Company Secretary

For and on

ADVANCE MULTITECH LIMITED

ARVIND GOENKA PULKIT GOENKA
MD Director & CFO
DIN 0093200 DIN 00177230

Place :- Ahmedabad
Date :- 30-05-2019

For, Advance Multitech Ltd
Aanchal
Director

ADVANCE MULTITECH LIMITED
Notes to the Financial Statements for the Year ended 31st March, 2019

Particulars	for the year ending on March 31,2019	for the year ending on March 31,2018
18 REVENUE FROM OPERATIONS		
Sale of Products	130,907,305	114,481,421
Sale of Services	18,193,767	22,419,431
	149,101,072	136,900,852
19 OTHER INCOME		
Interest	534,216	351,892
Dividend	80	120
Subsidy	225,180	2,475,204
Misc. Income	-	10,935
Total	759,476	2,838,151
20 COST OF STOCK IN TRADE AND OPERATING EXP.		
Opg Stock		
Add: Purchase of Raw Material and other purchases	17,819,176	14,464,225
Less: Closing Stock	108,419,702	85,874,203
Raw Material consumed during the year (A)	36,882,330	17,819,176
	89,356,548	82,519,252
Other Operating Expenses		
Electric Power, Fuel	9,518,219	15,256,220
Factory Exps	366,013	287,805
Freight Inward, Loading and unloading charges	2,088,853	1,585,152
Repairs & Maint. Exp	1,188,423	993,162
Other Operating Exp (B)	13,161,508	18,122,339
Total	102,518,056	100,641,591
21 CHANGES IN INVENTORIES, WORK IN PROGRESS AND STOCK IN TRADE		
Closing Stock		
Finished goods	4,928,000	6,120,000
Work in Progress	6,696,721	7,356,673
	11,624,721	13,476,673
Less: Opening		
Finished Goods	6,120,000	1,604,160
Work in Progress	7,356,673	7,035,364
	13,476,673	8,639,524
Total	1,851,952	(4,837,149)
22 EMPLOYEE BENEFIT EXPENSES		
Salaries, Wages, Allowances and Bonus	15,318,704	12,744,424
Gratuity Exp	60,000	150,000
Staff Welfare Expenses	15,620	26,136
Total	15,394,324	12,920,560



22.1 Salaries includes Director Remuneration amounting to Rs. 2496000/- (PY Rs.2172000/-)

Particulars	for the year ending on March 31,2019	for the year ending on March 31,2018
23 FINANCE COST		
Interest Exp	5,098,845	5,620,722
Total	5,098,845	5,620,722
24 OTHER EXP		
Advertisement Exp	48,539	56,337
Misc Exps Writtern Off	1,207,436	664,423
AGM Exps	6,200	5,800
Commission & Charges	1,868,370	348,295
License & Membership Fees	54,976	53,625
Cash Discount	51,830	256,580
CGST ,SGST & IGST Exps	84,098	17,972
Insurance	243,331	212,749
Custom Duty	-	73,995
Other Exps	-	80,600
Central Sales Tax	-	303,062
Rent Expenses	36,000	36,000
Municipal Tax	435,236	367,740
Office Exps	129,953	67,064
Stationery & Printing Exps	64,770	95,605
Travelling & Conveyance Exps	879,951	712,690
Sales Promotion Expenses	-	971,639
Service Tax	-	5,317
Telephone & Mobile Exp.	77,729	89,385
Sales Return, Rebate & Claims	1,370,991	-
Professional Fees Exps	434,650	1,126,782
Excise Expense	4,600	-
Cess Charges Exps	375,662	-
GST Late Exps	2,150	-
Handling Ser Charges	101,090	-
Postage & Angadia Exps	68,480	-
Provident Fund Exps	4,140	-
Other Interest	130,247	-
Short Payment R/off	21,825	-
Filing & Listing	101,877	-
Packing Expense	1,046,392	616,306
Coal Expense	1,597,308	1,454,147
Store & Spare Exps	2,877,692	2,092,330
Professional Tax	2,400	-
Total	13,327,923	9,708,443
24.1 PAYMENT TO AUDITORS :		
Statutory Audit Fees	50,000	50,000
Tax Audit Fees	-	-
Total	13,377,923	9,758,443



Notes to the Financial Statements for the Year ended 31st March, 2019

A.

Note No.	Particulars	As at 31 st March, 2019	As at 31 st March, 2018
10	Share Capital		
	Authorised share capital :-		
	50,00,000 Equity Shares of Rs. 10 Each	50,000,000	50,000,000
	Issued, Subscribed & Paid-up Share Capital:-		
	40,76,781 Equity Shares of Rs. 10 Each	40,767,810	40,767,810
	Less: Allotment Money in arrears	(482,100)	(482,100)
	Total	40,285,710	40,285,710

10.1 List of Share Holders having more than 5% holding

Sr. No.	Name of Shareholder	As at 31 March, 2019		As at 31 March, 2018	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
1	Sheela Ashokkumar Goenka	429,980	10.55%	429,980	10.55%
2	Ashokkumar V Goenka	411,000	10.08%	411,000	10.08%
3	Uma A Goenka	217,000	5.32%	217,000	5.32%
4	Arvind V Goenka	226,500	5.56%	226,500	5.56%
5	Madhurkar Murarka	281,100	6.90%	281,100	6.90%
6	Honest Synthetics Pvt Ltd	220,000	5.40%	220,000	5.40%
7	Siddharth Agencies Ltd	254,400	6.24%	254,400	6.24%
8	Advance Petrochemicals Ltd	211,600	5.19%	211,600	5.19%
	TOTAL	2,251,580	55.23%	2,251,580	55.23%

10.2 The Reconciliation of the number of shares outstanding is set out below :

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
Balance as at the beginning of the year	4,076,781	4,076,781
Issued during the year		
Balance as at the end of the year	4,076,781	4,076,781

10.3 Terms and Rights attached to equity Shares

The company has only one class of equity shares having a par value of Rs 10 each. Each holder of equity shares is entitled to one vote per share and all shareholders are entitled to attend and vote at the Annual General Meeting. The dividend proposed by the Board of Directors is subject to approval of the Shareholding in the ensuing Annual General Meeting.

10.4 The company has not issued any Right/ Bonus shares during any preceding year.



(A) EQUITY SHARE CAPITAL

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED ON 31/03/2019

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balance as at the beginning of the year	40,285,710	40,285,710
Issued during the year	-	-
Balance as at the end of the year	40,285,710	40,285,710

(B) OTHER EQUITY

Particulars	Reserves & Surplus				Equity Instrument measured through OCI	Total
	Retained Earnings	General reserves	Investment Allowance Reserve	Security Premium		
Balance as on 01.04.2018	28,163,377	6,899,045	925,039	7,921,000	-	43,908,461
Addition During the Year	-	-	-	-	-	-
Profit For the year	3,386,555	-	-	-	-	3,386,555
Transfer to Reserves	(3,386,555)	3,386,555	-	-	-	-
Other Comprehensive Income	-	-	-	-	-	-
Prior Period Loss	-	-	-	-	-	-
Dividend	-	-	-	-	-	-
Dividend Distribution Tax	-	-	-	-	-	-
Balance as on 31.03.2019	28,163,377	10,285,600	925,039	7,921,000	-	47,295,016
Balance as on 01.04.2017	28,163,377	-	-	-	-	37,009,416
Profit For the year	6,899,045	-	925,039	7,921,000	-	6,899,045
Transfer to Reserves	(6,899,045)	6,899,045	-	-	-	-
Other Comprehensive Income	-	-	-	-	-	-
Dividend	-	-	-	-	-	-
Dividend Distribution Tax	-	-	-	-	-	-
Balance as on 31.03.2018	28,163,377	6,899,045	925,039	7,921,000	-	43,908,461

As per our report of even date
Suresh R Shah & Associates
Chartered Accountants

Mrugen Shah
Partner
117412

Place :- Ahmedabad
Date :- 30-05-2019



For, Advance Multitech Ltd

Director

For and on behalf of the Board of
Directors of
ADVANCE MULTITECH LIMITED

ARVIND GOENKA

MD

DIN 0093200

Place :- Ahmedabad
Date :- 30-05-2019

PULKIT GOENKA

Director & CFO

DIN 00177230

Niraj Sodavadiya
Company Secretary

ADVANCE MULTITECH LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

Particulars	For the period ended on 31.03.2019	For the period ended on 31.03.2018
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Tax	4,721,319	8,673,550
Adjustments for:		
Asset Discarded / Loss on Sale of Assets	-	-
Preliminary Expense W/o	-	-
Effects of OCI	-	-
Depreciation	6,898,129	6,961,286
Finance Cost	5,098,845	5,620,722
Interest Income	(534,216)	(351,892)
Operating Profit before Working Capital Changes	16,184,077	20,903,666
Movements in Working Capital:		
Decrease / (Increase) in Inventories	(17,211,491)	(8,202,011)
Decrease / (Increase) in Sundry Debtors	2,429,162	(5,369,978)
Decrease / (Increase) in Loans and Advances	(3,246,191)	738,934
Decrease / (Increase) in Other Current Assets	-	-
(Decrease) / Increase in Trade Payables	11,074,970	(2,283,780)
(Decrease) / Increase in Short Term Provisions	146,255	(259,898)
(Decrease) / Increase in Short Term Borrowings	(1,273,595)	11,653,594
(Decrease) / Increase in Other Current Liabilities	(716,755)	751,021
Cash (used in) / generated from operations	7,386,432	17,931,548
Direct Taxes Paid (net of refunds)	1,271,604	1,547,613
Net cash (used in) / generated from operating activities (A)	6,114,828	16,383,935
B. CASH FLOW FROM INVESTING ACTIVITIES		
(Purchase) of Fixed Assets	(5,368,896)	(498,900)
Sale / Disposal of Fixed Assets	-	-
Assets Discarded / Loss on Sale of Assets	-	-
Change in Investment / Assets	-	-
Interest Received	534,216	351,892
Net cash (used in) / generated from investing activities (B)	(4,834,680)	(147,008)
C. CASH FLOW FROM FINANCING ACTIVITIES		
(Repayment) / Proceeds From Long Term Borrowings	519,634	(12,826,024)
(Repayment) / Proceeds From Short Term Borrowings	-	-
Repayment / (Proceeds) From Long Term Loans & Advances	1,315,679	(43,000)
Proceeds from Issue of Shares	-	-
Interest Expense	(5,098,845)	(5,620,722)
Dividend	-	-
Dividend Distribution Tax	-	-
Net cash (used in) / generated from financing activities (C)	(3,263,532)	(18,489,746)
D. NET INCREASE IN CASH AND CASH EQUIVALENTS (D)=(A+B+C)	(1,983,383)	(2,252,819)
Cash and cash equivalents at the beginning of the year	4,980,715	7,233,534
Cash and cash equivalents at the end of the year	2,997,332	4,980,715
Components of cash and cash equivalents		
Cash and cheques on hand	109,754	2,295,953
Deposit with Bank	2,859,294	2,674,841
With Scheduled Banks		
- in Current Account	28,284	9,921
	2,997,332	4,980,715

Notes

- 1) The figures in brackets represent outflows.
- 2) Previous periods' figures have been regrouped / reclassified, wherever necessary, to confirm to current year presentation.

As per our report of even date
For, Suresh R Shah & Associates
Chartered Accountants
Firm Reg. No: 110691W

Mrugen K Shah
Partner
M.No. 117412
Place :- Ahmedabad
Date :- 30-05-2019



For and on behalf of the

ADVANCE MULTITECH LIMITED

ARVIND GOENKA
MD
DIN 0093200
Place :- Ahmedabad
Date :- 30-05-2019

PULKIT GOENKA
Director & CFO
DIN 00177230

For, Advance Multitech Ltd

For, Advance Multitech Ltd

Aanchal
Director

Nihal Sodavadiya
Company Secretary

ADVANCE MULTITECH LIMITED
NOTES TO THE FINANCIAL STATEMENTS

CORPORATE INFORMATION:

ADVANCE MULTITECH LIMITED ('the company') is engaged in the business of textile.

STATEMENT OF COMPLIANCE:

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

1.1 Basis of preparation and presentation

These financial statements are in accordance with Indian Accounting Standards (IND AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provision of the Companies Act, 2013 ("the Act") (to the extent notify) and guidelines issued by the Securities & Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of Companies (Indian Accounting Standard) Rules, 2015 and relevant rules issued thereafter.

Accounting policies have been consistently applied except where newly issued accounting standards is initially adopted or a revision to an existing standard requires a change in the Accounting policy hitherto in used.

As the quarter and year figures are taken from the source and rounded to the nearest digit, the figures reported for the previous quarters might not always adopt to the year-end figures reported in these statements.

1.2 Functional and presentation currency

The financial statements are presented in Indian Rupees, the currency of the primary economic environment in which the company operates.

1.3 Use of Estimates

The preparation of financial statements are in conformity with the recognition and measurement principles of Ind AS which requires management to make critical judgments, estimates and assumptions that affect the reporting of assets, liabilities, income and expenditure.

Estimates and underlying assumptions are reviewed on an ongoing basis and any revisions to the estimates are recognised in the period in which the estimates are revised and future periods are affected.

Key source of estimation of uncertainty at the date of financial statements, which may cause material adjustment to the carrying amount of assets and liabilities within the next financial year, is in respect of:

- Useful lives of property, plant and equipment (refer note no. 2.1)
- Valuation of deferred tax assets (refer note no. 2.8)
- Valuation of inventories (refer note no. 2.3)
- Provisions & contingent liabilities (refer note no. 2.6)



ADVANCE MULTITECH LIMITED
NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES

2.1. Property, plant and equipment

2.1.1. Tangible Assets:

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and any accumulated impairment losses. The cost of fixed assets comprises of its purchase price, non-refundable taxes & levies, freight and other incidental expenses related to the acquisition and installation of the respective assets. Borrowing cost attributable to financing of acquisition or construction of the qualifying fixed assets is capitalized to respective assets when the time taken to put the assets to use is substantial.

When major items of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment. The cost of replacement of any property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefit associated with the item will flow to the Company and its cost can be measured reliably.

The Estimated Useful Lives of assets are in accordance with the Schedule II of the Companies Act, 2013.

2.1.2. Capital WIP is for building under construction amounting to Rs. 53.42 lacs

2.2. Financial Instruments

2.2.1. Cash and cash equivalents

Cash and cash equivalents consists of cash on hand, short demand deposits and highly liquid investments, that are readily convertible into known amounts of cash and which are subject to an insignificant risk of change in value. Short term means investments with original maturities / holding period of three months or less from the date of investments. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalent for the purpose of statement of cash flow.

2.2.2. Investments

Investments in the shares of private limited companies are valued at cost and the same has been showed as Long Term Investments.

2.2.3. Trade Receivables

Trade receivables are amounts due from customers for sale of goods or services performed in the ordinary course of business. Trade receivables are initially recognized at its transaction price which is considered to be its fair value and are classified as current assets as it is expected to be received within the normal operating cycle of the business.

2.2.4. Borrowings

Borrowings are initially recorded at fair value and subsequently measured at amortized costs using effective interest method. Transaction costs are charged to



ADVANCE MULTITECH LIMITED
NOTES TO THE FINANCIAL STATEMENTS

statement of profit and loss as financial expenses over the term of borrowing. But as per the records all the debts are recorded at their effective interest rate.

2.2.5. Trade payables

Trade payables are amounts due to vendors for purchase of goods or services acquired in the ordinary course of business and are classified as current liabilities to the extent it is expected to be paid within the normal operating cycle of the business.

2.2.6. Other financial assets and liabilities

Other non-derivative financial instruments are initially recognized at fair value and subsequently measured at amortized costs using the effective interest method.

2.3. Inventories

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition. Cost of raw materials, process, stores and spares, packing materials, trading and other products are determined on FIFO basis. Cost of Finished Goods and process Stock(WIP) is ascertained on full absorption cost basis.

2.4. Impairment of Assets

Financial assets

At each balance sheet date, the Company assesses whether a financial asset is to be impaired. Ind AS 109 requires expected credit losses to be measured through loss allowance. The Company measures the loss allowance for financial assets at an amount equal to lifetime expected credit losses if the credit risk on that financial asset has increased significantly since initial recognition. If the credit risk on a financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for financial assets at an amount equal to 12-month expected credit losses. The Company uses both forward-looking and historical information to determine whether a significant increase in credit risk has occurred.

Non-financial assets

Tangible and intangible assets

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its



ADVANCE MULTITECH LIMITED
NOTES TO THE FINANCIAL STATEMENTS

recoverable amount. An impairment loss is recognized in the statement of profit and loss to such extent.

2.5. Employee Benefit

Short term employee benefits

Short term benefits payable before twelve months after the end of the reporting period in which the employees have rendered service are accounted as expense in statement of profit and loss.

Long term employee benefits

Defined benefit plans

The Group's net obligation in respect of defined benefit plans (gratuity, pension and other retirement benefit plans) is calculated using the projected unit credit method and the same is carried out by qualified actuary. The current service cost and interest on the net defined benefit liability / (asset) is recognized in the statement of profit and loss. Past service cost are immediately recognized in the statement of profit and loss. Actuarial gains and losses net of deferred taxes arising from experience adjustment and changes in actuarial assumptions are recognized in other comprehensive income in the period in which they arise.

Defined Contribution Plan

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions for provident fund and pension as per the provisions of the Provident Fund Act, 1952 to the government. The Company's contribution is recognised as an expense in the Profit and Loss Statement during the period in which the employee renders the related service. The company's obligation is limited to the amounts contributed by it.

Compensated absences and earned leaves

The company offers a short term benefit in the form of encashment of unavailed accumulated compensated absence above certain limit for all of its employees and same is being provided for in the books at actual cost.

2.6. Provisions, contingent liabilities and contingent assets

Contingent liability :

A possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company are disclosed as contingent liability and not provided for. Such liability is not disclosed if the possibility of outflow of resources is remote.

Contingent assets :

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognised and disclosed only when an inflow of economic benefits is probable.

Provisions :

A provision is recognized when as a result of a past event, the Company has a present obligation whether legal or constructive that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the

