



**desai associates**  
chartered accountants

**INDEPENDENT AUDITORS' REPORT**

To,  
Advanced Enzytech Solutions Limited,

**Report on the Financial Statements**

1. We have audited the accompanying financial statements of **Advanced Enzytech Solutions Limited ("the company")**, which comprise the Balance sheet as at 31<sup>st</sup> March, 2017, statements of profit and loss and cash flow for the year then ended and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

2. The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting 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 of 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**

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards of Auditing issued by the Institute of Chartered Accountants of India. 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.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Board of Directors, as well as evaluating the overall presentation of the financial statements.

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

### **Opinion**

6. 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, 2017, and its profit and cash flows for the year ended on that date.

### **Report on Other Legal & Regulatory Requirement**

7. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
8. As required by section 143(3) of the Act, we report that:
- a) We have 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 appears from our examination of those books
  - c) The balance sheet, the statement of profit and loss and cash flow statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the Balance Sheet, the Statement of profit and loss and cash flow statement 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 March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 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 control, refer to our separate report



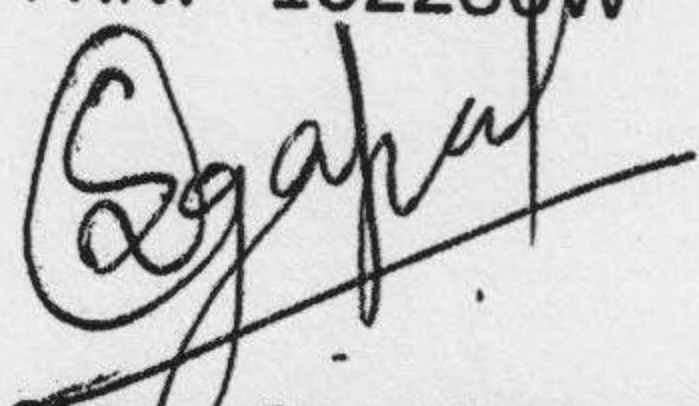


in annexure "B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial control over financial reporting.

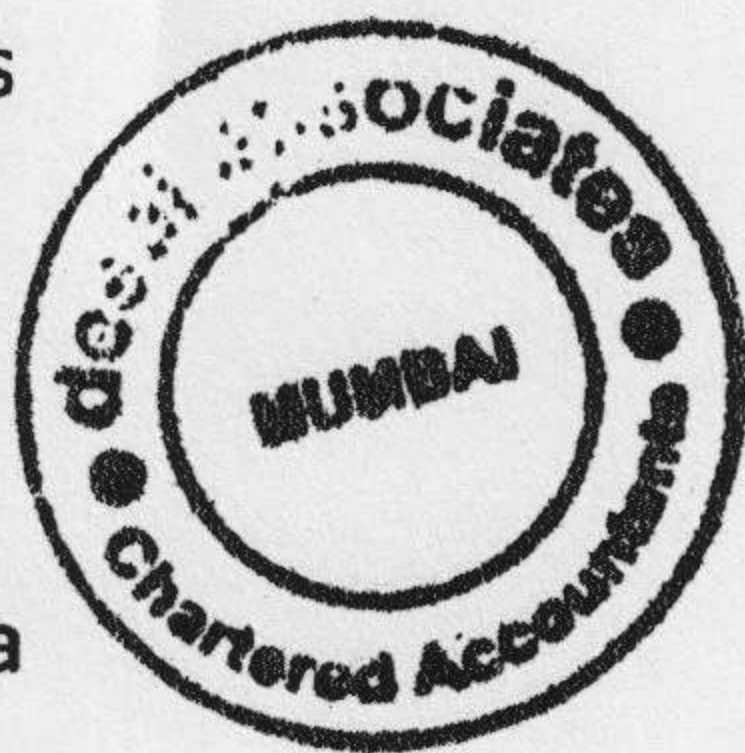
g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:

- i. The Company does not have any pending litigations as at March 31, 2017 which would impact its financial position.
- ii. The Company did not have any long-term contracts including derivative contracts as at March 31, 2017.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2017
- iv. The company had provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016 and the disclosure is as per the books of accounts maintained by the company.

**For Desai Associates**  
Chartered Accountants  
FRN: - 102286W



**Shree Gopal Didwaniya**  
Partner  
Membership No.: 139202



**Place: Mumbai**

**Date: 22/05/2017**



**"Annexure A" to the Independent Auditors' Report**

Referred to in Point no. "7" under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2017:

- 1) a) The company has maintained proper records and full particulars, including quantitative details and situation of fixed assets.  
b) The company has the program of verification of fixed assets to cover all the items in a phased manner, which, in our opinion is reasonable having regards 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 period. According to the information and explanations given to us, no material discrepancies were noticed on such verification.  
b) The company does not have any Immovable properties. Thus, paragraph 3 (i) (c) of the order is not applicable to the company.
- 2) The physical verification of inventory has been conducted at reasonable intervals by the management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records been appropriately dealt with in the books of account. In our opinion the frequency of verification is reasonable.
- 3) The Company has not granted any loan, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, guarantees and securities given during the year.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- 7) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax,





Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities.

There are no arrears of outstanding undisputed statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they become payable.

According to the information and explanation given to us, there are no dues of income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess which have not been deposited with the appropriate authorities on account of any dispute.

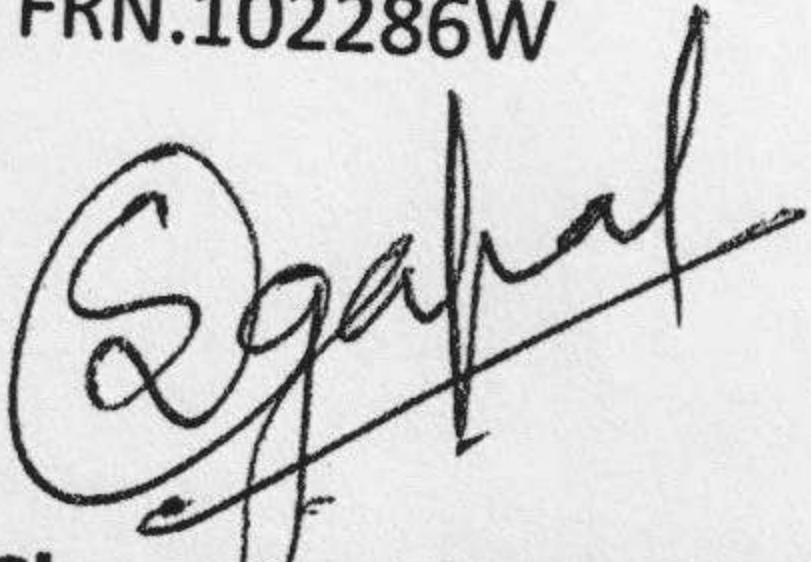
- 8) In our opinion and according to the information and explanations given to us, The Company does not have borrowing from financial institution, banks, and government or debenture holders during the year. Accordingly, paragraph 3 (viii) of the Order is not applicable.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, no managerial remuneration has been paid or provided during the year. Thus, paragraph 3 (xi) of the Order is not applicable.;
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.





16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

**For Desai Associates**  
Chartered Accountants  
FRN.102286W



**Shree Gopal Didwaniya**  
Partner  
Membership No.: 139202



Place: Mumbai  
Date: 22/05/2017



**ANNEXURE B**  
**TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF**  
**Advanced Enzytech Solutions 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 **Advanced Enzytech Solutions Limited** ("the Company") as of March 31, 2017 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 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 judgment, 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 authorization of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

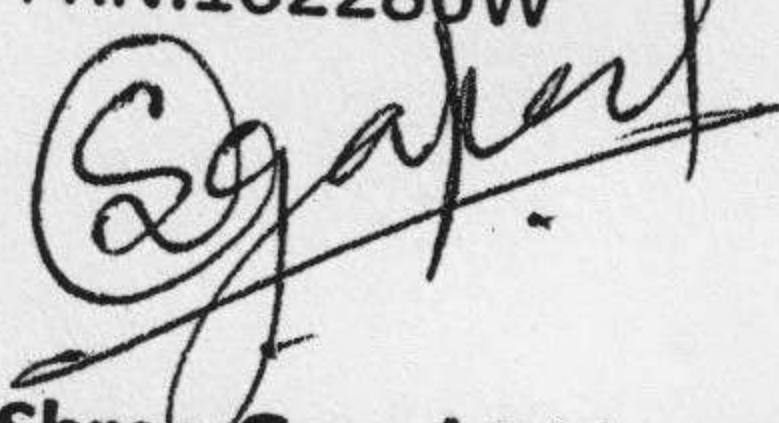
### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of 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 2017, 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 Desai Associates  
Chartered Accountants  
FRN.102286W



**Shree Gopal Didwaniya**  
Partner  
Membership No.139202



Place: Mumbai

Date: 22/05/2017



# ADVANCED ENZYTECH SOLUTIONS LIMITED

CIN: U24200MH2008PLC186383

BALANCE SHEET AS AT MARCH 31, 2017

	Note	In Rupees	
		March 31, 2017	March 31, 2016
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	3	700,000	700,000
Reserves & Surplus	4	<u>36,791,855</u>	<u>31,062,691</u>
		37,491,855	31,762,691
<b>Current Liabilities</b>			
Trade Payables	5	-	-
Total outstanding dues to micro and small enterprises		-	-
Total outstanding dues to others		13,827,377	22,528,588
Other Current Liabilities	6	<u>6,213,786</u>	<u>4,383,159</u>
		20,041,163	26,911,747
		<u>57,533,018</u>	<u>58,674,438</u>
<b>TOTAL</b>			
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
<b>Fixed Assets</b>			
Tangible Assets	7	238,386	290,476
Long-Term Loans & Advances	8	145,350	145,350
Deferred Tax Assets (Net)	9	<u>267,425</u>	<u>347,866</u>
		651,161	783,692
<b>Current Assets</b>			
Inventories	10	8,146,388	8,440,361
Trade Receivables	11	37,011,641	40,151,228
Cash & Bank Balances	12	1,846,017	351,162
Short-Term Loans & Advances	13	9,793,758	8,876,434
Other Current Assets	14	<u>84,052</u>	<u>71,560</u>
		56,881,856	57,890,745
		<u>57,533,018</u>	<u>58,674,438</u>
<b>TOTAL</b>			

See accompanying notes forming part of the financial statements

1-23

See accompanying notes forming part of the financial statements

1-23

In terms of our report attached of even date

For DESAI ASSOCIATES

Chartered Accountants

FRN: 102286W

*Sgopal*  
Shree Gopal Didwaniya  
Partner

M. No.: 139202

Place : Mumbai

Date : 22/05/17



For and on behalf of the board of directors of  
Advanced Enzytech Solutions Ltd

*[Signature]*  
Director

DIN: 02256737

Place : Thane

Date : 22/05/17

*[Signature]*  
Director

DIN: 00295213



**ADVANCED ENZYTECH SOLUTIONS LIMITED**  
CIN: U24200MH2008PLC186383  
**STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED ON MARCH 31, 2017**


	Note	In Rupees	
		Year ended March 31, 2017	Year ended March 31, 2016
<b>INCOME</b>			
Revenue from operations (Gross)	15	113,428,359	112,678,260
Less:- Excise Duty		12,365,793	13,050,519
Revenue from operations (Net)		101,062,566	99,627,741
Other income	16	269,648	72,617
<b>Total Revenue</b>		<b>101,332,214</b>	<b>99,700,358</b>
<b>EXPENSES</b>			
Cost of materials consumed	17	77,299,001	79,530,785
Changes in Inventory	18	261,309	(2,387,284)
Employee benefits expense	19	6,907,385	7,071,861
Finance costs	20	176,192	195,257
Depreciation & Amortisation expense	21	104,502	104,831
Other expenses	22	8,196,910	6,280,101
<b>Total Expenses</b>		<b>92,945,299</b>	<b>90,795,551</b>
<b>PROFIT BEFORE TAX</b>		<b>8,386,915</b>	<b>8,904,808</b>
Tax expense:			
Current tax		2,581,000	2,860,000
Deferred tax		80,441	(270,991)
Income Tax for earlier years		(3,690)	(9,735)
		2,657,751	2,579,274
<b>PROFIT FOR THE YEAR</b>		<b>5,729,164</b>	<b>6,325,534</b>
Earnings per equity share:	23 (A)		
Basic		81.85	90.36
Diluted		81.85	90.36

See accompanying notes forming part of the financial statements

1-23

In terms of our report attached of even date  
For DESAI ASSOCIATES

Chartered Accountants  
FRN: 102286W

  
Shree Gopal Didwania

Partner


M. No.: 139202

Place : Mumbai

Date : ...22/05/17



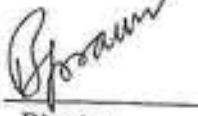
For and on behalf of the board of directors of  
Advanced Enzytech Solutions Ltd

  
Director

DIN: 02286737

Place : Thane

Date : 22/05/17

  
Director

DIN: 00295213



**ADVANCED ENZYTECH SOLUTIONS LIMITED**  
**CIN: U24200MH2008PLC186383**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017**

**NOTE 3: SHARE CAPITAL**

	In Rupees	
	March 31, 2017	March 31, 2016
<b>Authorised</b>		
1,00,000 Equity Shares of Rs. 10/- each	1,000,000	1,000,000
<b>Subscribed and Fully Paid-up</b>	1,000,000	1,000,000
70,000 Equity Shares of Rs. 10/- each	700,000	700,000
	700,000	700,000

(a) Reconciliation of the Shares outstanding at the beginning and at the end of the reporting year:

Equity Shares:

	March 31, 2017		March 31, 2016	
	Nos.	Rs.	Nos.	Rs.
At the beginning of the year	70,000	700,000	70,000	700,000
Issued during the year	-	-	-	-
Outstanding at the end of the year	70,000	700,000	70,000	700,000

(b) Rights, preferences and restrictions attached to shares:

The company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

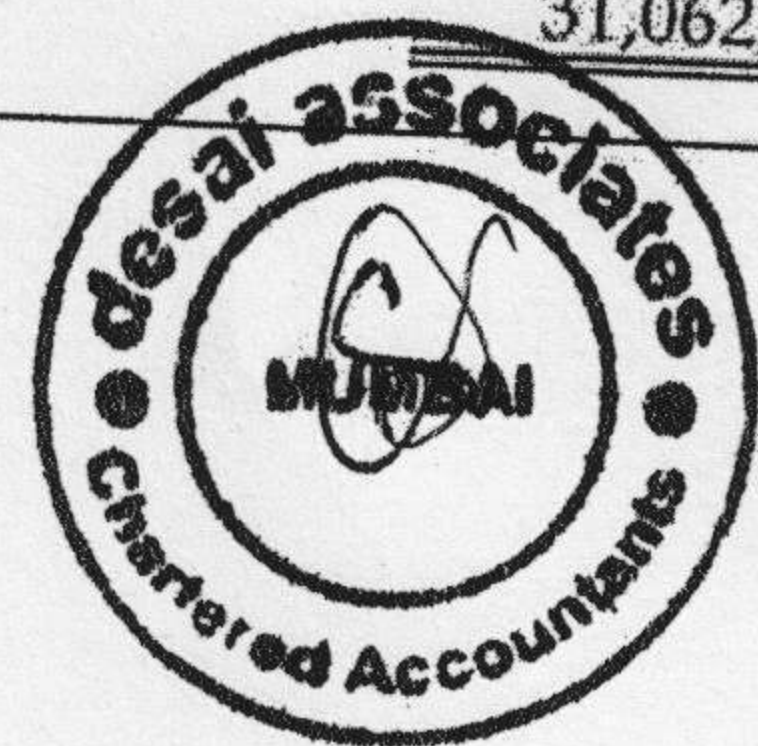
(c) All the above, 70,000 equity shares of Rs.10/- each are held by the holding company, Advanced Enzyme Technologies Limited, and its nominees.

(d) Shareholders holding more than 5 percent of the equity shares

Name of Shareholder	March 31, 2017	March 31, 2016
	No. of Shares held	No. of Shares held
Advanced Enzyme Technologies Ltd and its nominees	70,000	70,000

**NOTE 4: RESERVES AND SURPLUS**

	In Rupees	
	March 31, 2017	March 31, 2016
<b>Surplus in the statement of profit and loss</b>		
Balance as per last financial statement	31,062,691	24,737,157
Profit for the year	5,729,164	6,325,534
	36,791,855	31,062,691





# ADVANCED ENZYTECH SOLUTIONS LIMITED

CIN: U24200MH2008PLC186383

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

## NOTE 2 : SIGNIFICANT ACCOUNTING POLICIES (Contd)

### Income Taxes

Tax expense comprises both current and deferred taxes. Current Tax is provided on the taxable income using the applicable tax rates and tax laws. Deferred tax assets and liabilities arising on account of timing difference and which are capable of reversal in subsequent periods are recognised using the tax rates and tax laws that have been enacted or substantively enacted. 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. If the company has carry forward unabsorbed depreciation and tax losses, deferred Tax assets are recognised only to the extent there is a virtual certainty supported by convincing evidence that sufficient taxable income will be available against which such deferred tax assets can be realised.

### Provisions and Contingent Liabilities

The Company recognises a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.





# ADVANCED ENZYTECH SOLUTIONS LIMITED

CIN: U24200MH2008PLC186383

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

## NOTE 2 : SIGNIFICANT ACCOUNTING POLICIES (Contd)

### Impairment

The carrying amounts of assets are reviewed at each balance sheet date to determine if there is any indication of impairment based on external/internal factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount which represents the greater of the net selling price and "Value in use" of the assets. The estimated future cash flows considered for determining the value in use, are discounted to their present value at the weighted average cost of capital.

### Inventory

(i) Inventory is valued as follows:

Stores, Spares, Packing Materials, Raw Materials, Finished Goods and Stock in Process - at lower of cost and net realisable value.

(ii) Cost of Raw Materials, Stores, Spares and Packing Materials is determined on weighted average basis. Cost of Finished Goods is determined on FIFO.

### Customs Duty and Excise Duty

Customs Duty and Excise Duty have been accounted for on the basis of both payments made in respect of goods cleared as well as provision made for goods lying in bonded warehouse. Such provision is included in the valuation of closing stocks of respective materials and goods.

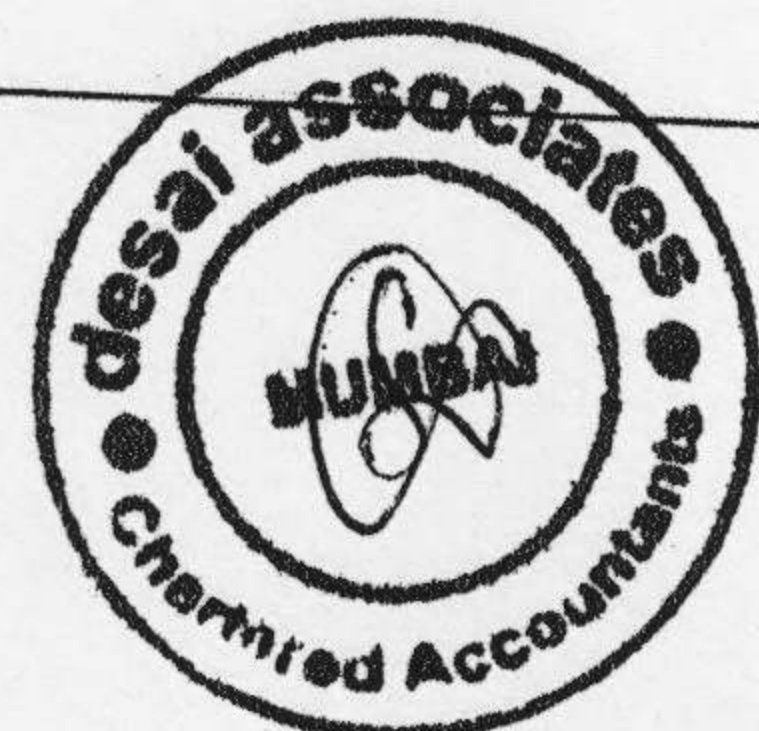
### Retirement & other employee benefits

Short term employee benefits are accounted in the period during which the services have been rendered.

The Company contributes on a defined contribution basis to Employee's Provident Fund towards post employment benefits, all of which are administered by the Regional Provident Fund authorities, and has no further obligation beyond making its contribution, which is expensed in the year to which it pertains.

The liability for the defined benefit plan of Gratuity is determined on the basis of an actuarial valuation by an independent actuary at the year end, which is calculated using projected unit credit method. Actuarial gains and losses which comprise experience adjustment and the effect of changes in actuarial assumptions are recognised in the Statement of Profit and Loss. The Gratuity liability is funded through a trust with the Life Insurance Corporation of India.

The employees of the Company are entitled to leave as per the leave policy of the Company. The liability in respect of unutilised leave balances is provided based on an actuarial valuation carried out by an independent actuary as at the year end, which is calculated using projected unit credit method and charged to the Statement of Profit and Loss. The Leave encashment liability is funded through a trust with the Life Insurance Corporation of India.





# ADVANCED ENZYTECH SOLUTIONS LIMITED

CIN: U24200MH2008PLC186383

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

### NOTE 1 : NATURE OF OPERATIONS

Advanced Enzytech Solutions Limited was incorporated on 1st September 2008 and is primarily engaged in business of industrial enzymes and auxiliaries.

### NOTE 2 : SIGNIFICANT ACCOUNTING POLICIES

#### Basis of Accounting

The Financial Statements are prepared in accordance with the generally accepted accounting principles in India. The Company has prepared these financial statements to comply in all material aspects with the accounting standards notified under section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules 2014. The Financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year. All Assets and liabilities have been classified as current or non current as per the Company's normal operating cycle and other criteria set out in the schedule III to the Companies Act, 2013.

#### Use of Estimates

The presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of financial statements and reported amount of revenues and expenses during the reporting period. Differences between the actual results and estimates are recognised in the period in which the results are known / materialised.

#### Revenue Recognition

Sale of goods are recognised upon passage of title to the customers which generally coincides with their delivery.

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

#### Fixed Assets

Tangible Fixed Assets are stated at cost less accumulated depreciation and provision for impairment, if any. The cost includes expenditure incurred in the acquisition and construction / installation and other related expenses in bringing the asset to working condition for its intended use.

#### Depreciation

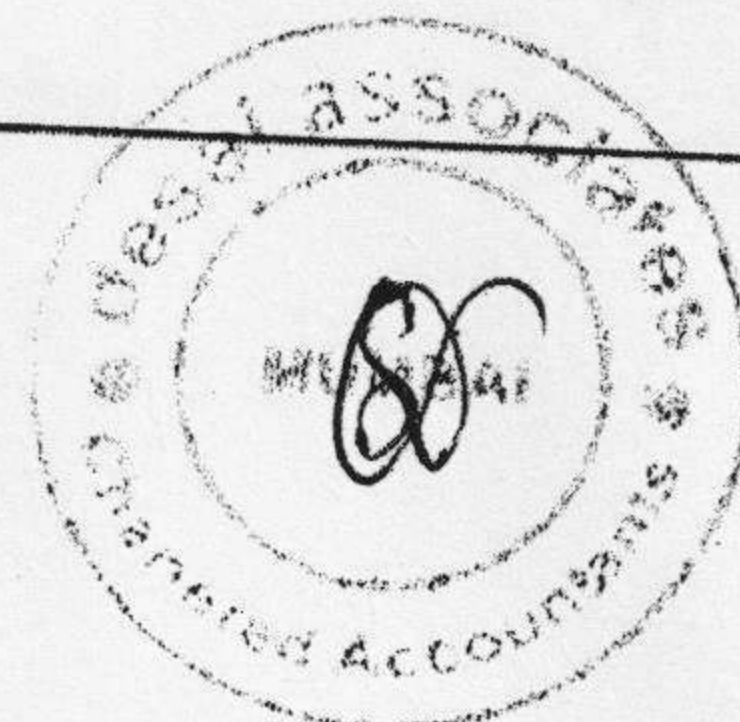
Depreciation on Fixed Assets has been provided on Written Down Value Method at the rates and in the manner prescribed in Schedule II to the Companies Act, 2013 on prorata basis from the date of additions and/or disposal. Fixed Assets costing individually less than Rs. 5,000 are expensed out fully in the year of purchase.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash and cash on deposit with banks and corporations. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents

#### Cash flow statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.





**ADVANCED ENZYTECH SOLUTIONS LIMITED**  
CIN: U24200MH2008PLC186383  
**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017**

	In Rupees	
	Year ended March 31, 2017	Year ended March 31, 2016
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
NET PROFIT BEFORE TAX		
Adjustment for :		
Depreciation	8,386,915	8,904,808
Interest	104,502	104,831
Interest & Dividend Income	171,034	192,295
	(264,008)	-
	11,528	297,126
OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES	8,398,443	9,201,934
(Increase) in Trade Receivables, Short / Long Term Loans & Advances, Other Non-Current / Current Assets	2,209,771	2,927,330
Decrease / (increase) in Inventories	293,973	(2,685,695)
Increase in Trade Payable, Long Term / Current Liabilities & Long / Short Term Provisions.	(6,870,584)	(6,202,099)
CASH GENERATED FROM OPERATIONS	(4,366,840)	(5,960,464)
Direct Taxes paid	4,031,603	3,241,470
NET CASH FROM OPERATING ACTIVITIES	(2,577,310)	(2,850,265)
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>	1,454,293	391,205
Purchase of Tangible / Intangible Assets, Capital Work in Progress & Capital Advances	(52,412)	(169,285)
Interest & Dividend income	264,008	-
NET CASH USED IN INVESTING ACTIVITIES	211,596	(169,285)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>	(171,034)	(192,295)
Interest paid	(171,034)	(192,295)
NET CASH FROM FINANCING ACTIVITIES		
NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS	1,494,855	29,625
CASH AND CASH EQUIVALENTS AS AT 01.04.2016	351,162	321,537
CASH AND CASH EQUIVALENTS AS AT 31.03.2017	1,846,017	351,162

In terms of our report attached of even date  
For DESAI ASSOCIATES

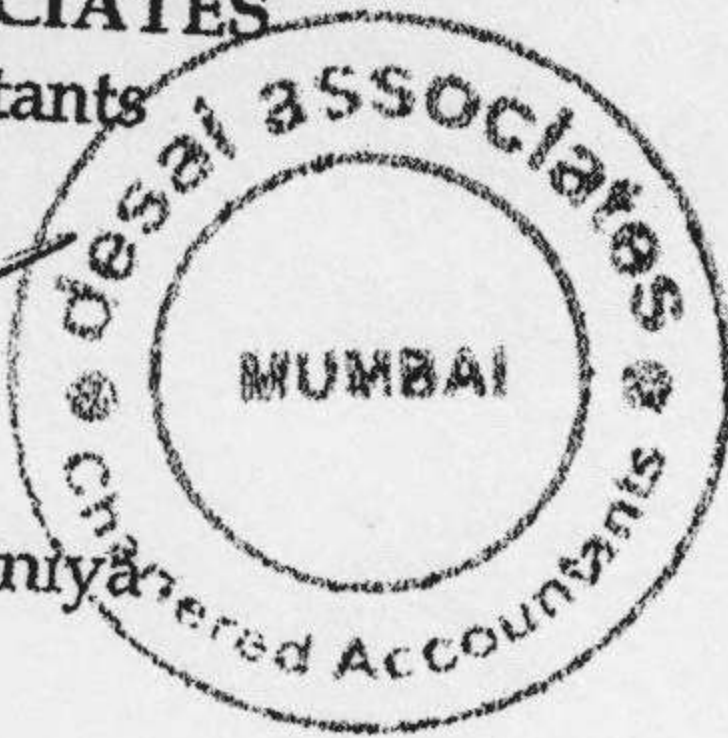
Chartered Accountants  
FRN: 102286W

*(Signature)*  
Shree Gopal Didwaniya  
Partner

M. No.: 139202

Place : Mumbai

Date : 22/05/17



For and on behalf of the board of directors of  
Advanced Enzytech Solutions Ltd

*(Signature)*  
Director

DIN: 02256737

Place : Thane

Date : 22/05/17

*(Signature)*  
Director

DIN: 00295213



# ADVANCED ENZYTECH SOLUTIONS LIMITED

CIN: U24200MH2008PLC186383

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

## NOTE 23: OTHER ADDITIONAL NOTES / INFORMATION

	(In Rupees)	
	Year ended March 31, 2017	Year ended March 31, 2016
A. Earnings Per Share:		
Profit after taxation and refund of income tax.	5,729,164	6,325,534
Number of Equity Shares (Face Value Rs. 10/-)	70,000	70,000
Earning Per Share in Rupees - Basic	81.85	90.36
Earning Per Share in Rupees - Diluted	81.85	90.36

### B. Related Party Disclosure:

a) Parties which significantly influence / are influenced by the company (either individually or with others) -

#### I Holding Company

Advanced Enzyme Technologies Limited

#### II Fellow Subsidiaries

Advanced Bio- Agro Tech Limited

JC Biotech Private Limited (from December 01, 2016)

Advanced Enzymes, USA

Cal India Food International, USA

Advanced Supplementary Technologies Corporation, USA

Dynamic Enzymes Inc., USA

Enzyme Innovation Inc., USA

Enzyfuel Innovation Inc., USA

III Other Related Parties (Companies in which directors or their relatives are interested)  
Advanced Vital Enzymes Private Ltd.

b) Nature of transactions with Holding company:

Purchases of materials

In Rupees	
Year ended March 31, 2017	Year ended March 31, 2016

77,194,430	79,014,775
------------	------------

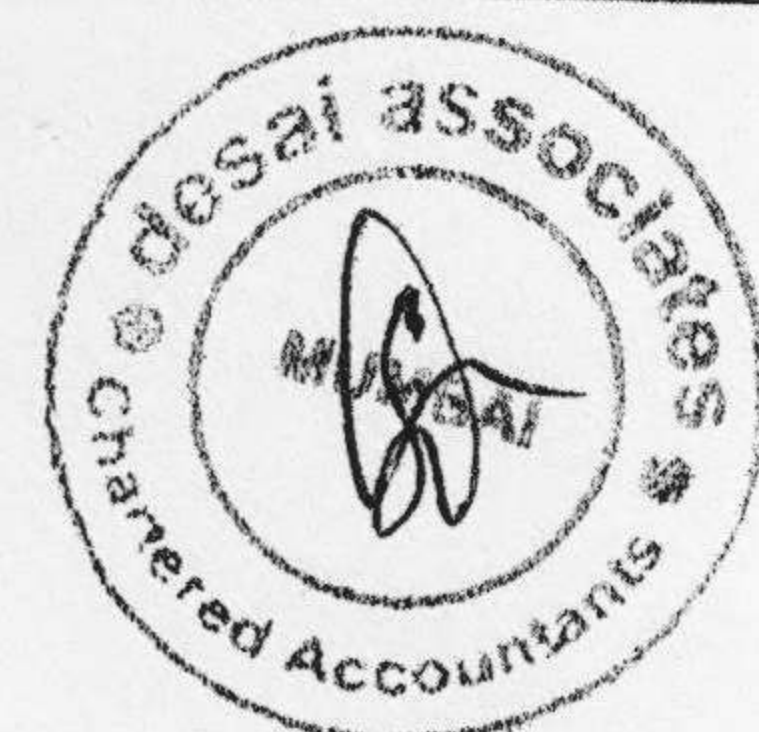
Year ended March 31, 2017	Year ended 31st March, 2016
------------------------------	-----------------------------------

13,827,377	22,257,201
------------	------------

Trade payable  
No amount has been provided as doubtful debts or advances / written off or written back in the year in respect of debts due from / to above related party.

### C. Segment Information:

The Company operates only in one primary business segment viz. 'Biochemicals' and hence no separate information for primary segmentwise disclosure is required.





# ADVANCED ENZYTECH SOLUTIONS LIMITED

CIN: U24200MH2008PLC186383

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

## NOTE 19 : EMPLOYEE BENEFITS EXPENSE Contd

### f. The principal actuarial assumptions

	31/03/17	31/03/16	31/03/15	31/03/13
Discount rate	7.40%	8.05%	7.75%	8.20%
Expected Rate of return on Plan Asset	8.05%	8.05%	8.75%	9.25%
Salary escalation rate:	7.00%	7.00%	7.00%	7.00%

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

### g. Investment details of plan assets

Policy with L.I.C. of India

Total

100%	100%	100%	100%
100%	100%	100%	100%

### h. Amounts for the current and previous periods are as follows:

#### Gratuity

Defined Benefit Obligation

Plan Assets

(Surplus) / Deficit

31/03/17	31/03/16	31/03/15	31/03/13
329,409	234,077	127,520	31,082
(379,976)	(302,763)	(270,306)	(138,953)
(50,567)	(68,686)	(142,786)	107,871

Experience adjustments on plan liabilities

Experience adjustments on plan assets

Gratuity	Leave encashment
(39,982)	99,358
(1,365)	354
	24,170
	1,549

## NOTE 20 : FINANCE COSTS

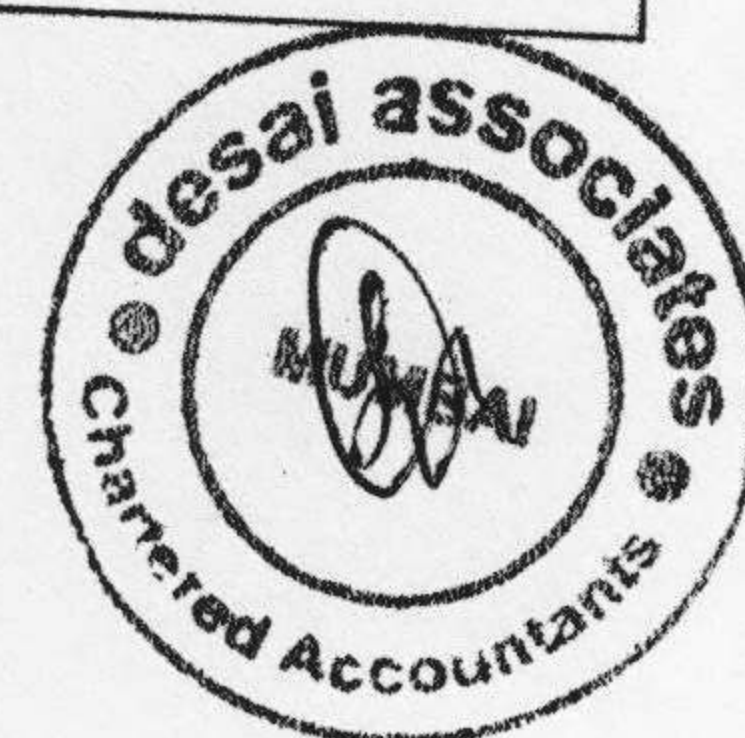
Interest on deposit from customers  
Bank Charges

In Rupees	
Year ended March 31, 2017	Year ended March 31, 2016
171,034	192,295
5,158	2,962
176,192	195,257

## NOTE 21 : DEPRECIATION & AMORTISATION EXPENSE

Depreciation on tangible assets

In Rupees	
Year ended March 31, 2017	Year ended March 31, 2016
104,502	104,831
104,502	104,831





**ADVANCED ENZYTECH SOLUTIONS LIMITED**  
**CIN: U24200MH2008PLC186383**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017**

**NOTE 19 : EMPLOYEE BENEFITS EXPENSE Contd**

**(a) Employee Benefits**

a. During the period/year, the company has recognised the following in the Statement of Profit & Loss.

**(i) Defined contribution plans:**

	In Rupees	
	31/03/17	31/03/16
Employer's contribution to Provident Fund*	268,102	292,999
* included in "contribution to Provident, Gratuity & Other funds"		

**(ii) Defined benefit plans:**

	Gratuity#		Leave encashment#	
	Funded		Funded	
	31/03/17	31/03/16	31/03/17	31/03/16
Service Cost	89,256	67,379	28,292	27,323
Interest Cost	18,655	9,821	6,749	5,553
Expected return on plan assets	(27,777)	(26,637)	(7,187)	(9,331)
Net Actuarial (Gain) / Loss	(13,944)	32,053	205,285	21,179
Expenses deducted from the fund	592	1,761	-	42
Net Cost	66,782	84,377	233,139	44,766

# included in "Salaries, Wages, Bonus & Allowances"

**b. Amount recognised in the Balance Sheet**

Opening Present value of defined benefit obligation	329,409	234,077	131,690	114,148
Fair value of plan assets	(379,976)	(302,763)	(131,242)	(100,522)
Net asset / (liability) recognised in the Balance Sheet	50,567	68,686	(448)	(13,626)

**c. Balance Sheet reconciliation**

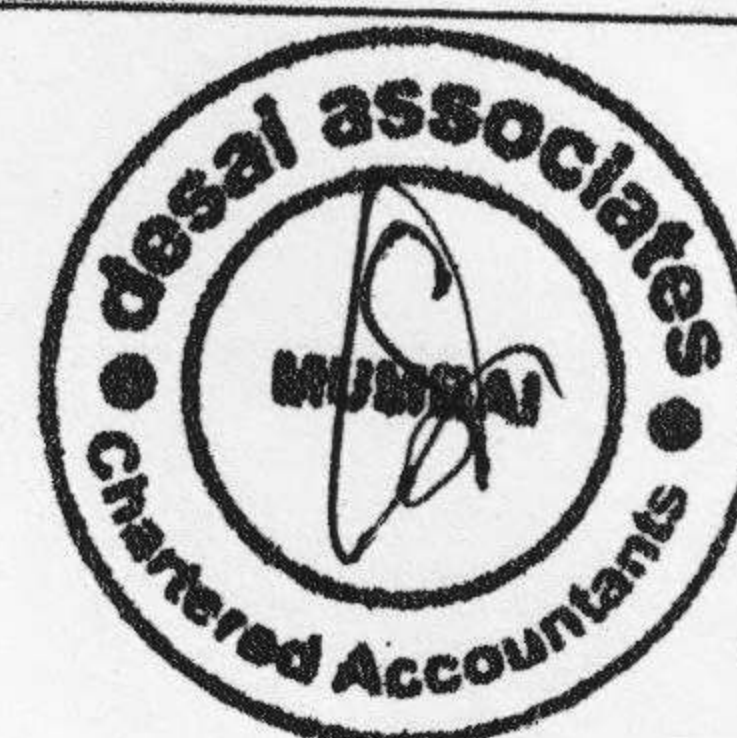
Opening net asset / (liability)	68,686	142,785	13,626	(17,866)
Expenses as above	66,782	84,377	151,853	50,877
Employers contribution	48,663	10,277	(143,297)	(2,371)
Benefits paid	-	-	(21,734)	(17,014)
Closing net asset / (liability) recognised in the Balance Sheet	50,567	68,685	(448)	(13,626)

**d. Change in defined benefit obligation**

Opening Present value of obligation	234,077	127,520	114,148	73,171
Service Cost	89,256	67,379	41,747	32,808
Interest Cost	18,655	9,821	8,999	5,553
Actuarial (Gain) / Loss	(12,579)	29,357	110,093	19,630
Benefits paid	-	-	(143,297)	(17,014)
Closing Present value of obligation	329,409	234,076	131,690	114,148

**e. Change in fair value of plan assets**

Opening Fair value of plan assets	302,763	270,306	100,522	91,037
Expenses deducted from the fund	(592)	(1,761)	(242)	(668)
Expected return on plan assets	27,777	26,637	9,582	9,331
Contribution by employer	48,663	10,277	21,734	2,371
Actuarial Gain / (Loss)	1,365	(2,696)	(354)	(1,549)
Benefits paid	-	-	-	-
Closing Fair value of plan assets	379,976	302,763	131,242	100,522





**ADVANCED ENZYTECH SOLUTIONS LIMITED**

**CIN: U24200MH2008PLC186383**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017**

**NOTE 17 : COST OF MATERIALS CONSUMED**

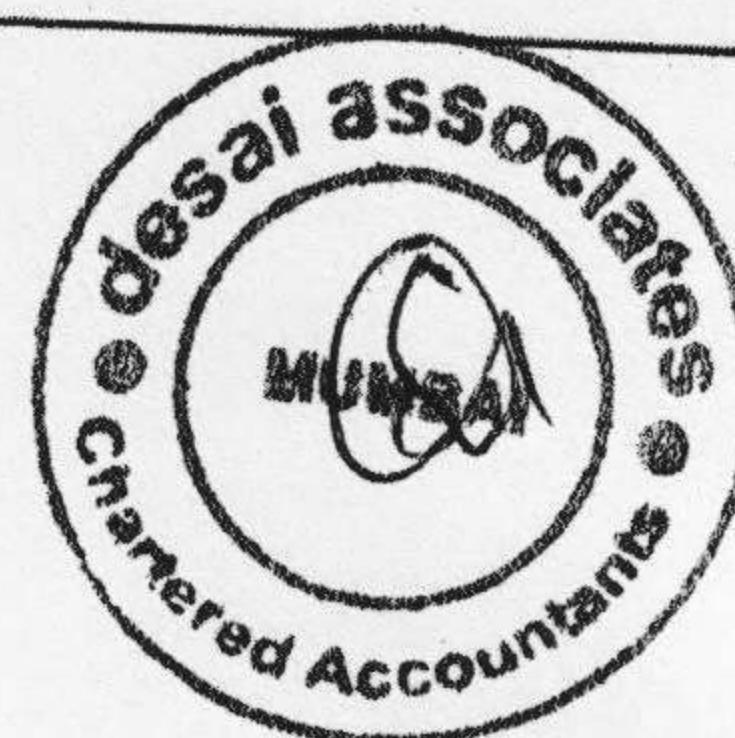
	In Rupees	
	Year ended March 31, 2017	Year ended March 31, 2016
Cost of materials consumed		
Opening Stock	-	-
Add: Purchases (Industrial Enzymes)	77,299,001	79,530,785
Less: Closing Stock	77,299,001	79,530,785
	-	-
	<u>77,299,001</u>	<u>79,530,785</u>

**NOTE 18 : CHANGES IN INVENTORY**

	In Rupees	
	Year ended March 31, 2017	Year ended March 31, 2016
Closing Stock:		
Finished Goods*	8,146,388	8,440,361
Less: Opening Stock:		
Finished Goods*	8,440,361	5,754,666
Differential Excise Duty on Opening and Closing stock of Finished Goods	(32,664)	298,411
* Industrial Enzymes	<u>261,309</u>	<u>(2,387,284)</u>

**NOTE 19 : EMPLOYEE BENEFITS EXPENSE**

	In Rupees	
	Year ended March 31, 2017	Year ended March 31, 2016
Salaries, Wages, Bonus, and Allowances	6,595,392	6,744,048
Company's Contribution to Provident, Gratuity and Other Funds	268,102	292,999
Welfare Expenses	43,891	34,814
	<u>6,907,385</u>	<u>7,071,861</u>





**ADVANCED ENZYTECH SOLUTIONS LIMITED**  
**CIN: U24200MH2008PLC186383**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017**

**NOTE 14 : OTHER CURRENT ASSETS**

	In Rupees	
	March 31, 2017	March 31, 2016
Unsecured, Considered Good		
Prepaid Expenses	84,052	71,560
	<u>84,052</u>	<u>71,560</u>

**NOTE 15 : REVENUE FROM OPERATIONS**

	In Rupees	
	March 31, 2017	March 31, 2016
Sales:		
Finished Goods (Bio-chemicals)	113,428,359	112,678,260
	<u>113,428,359</u>	<u>112,678,260</u>

**NOTE 16 : OTHER INCOME**

	In Rupees	
	March 31, 2017	March 31, 2016
Interest Income	264,008	-
Other non operating income	5,640	72,617
	<u>269,648</u>	<u>72,617</u>





**ADVANCED ENZYTECH SOLUTIONS LIMITED**  
**CIN: U24200MH2008PLC186383**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017**

**NOTE 8 : LONG TERM LOANS & ADVANCES**

	In Rupees	
	March 31, 2017	March 31, 2016
Unsecured considered good		
Security Deposit	145,350	145,350
	<u>145,350</u>	<u>145,350</u>

**NOTE 9 : DEFERRED TAX ASSETS (NET)**

	In Rupees	
	March 31, 2017	March 31, 2016
The breakup of Deferred Tax Assets:		
Arising on account of timing difference in:		
- Depreciation	8,255	6,750
- Accrued Expenses allowable on Actual Payments	259,170	341,115
Deferred Tax Assets (Net)	<u>267,425</u>	<u>347,866</u>

**NOTE 10 : INVENTORIES**

	In Rupees	
	March 31, 2017	March 31, 2016
(As taken, valued and certified by management)		
At lower of cost and net realisable value		
Finished goods	8,146,388	8,440,361
	<u>8,146,388</u>	<u>8,440,361</u>

**NOTE 11 : TRADE RECEIVABLES**

	In Rupees	
	March 31, 2017	March 31, 2016
Unsecured, Considered Good		
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	5,161,754	7,649,910
Other debts	31,849,887	32,501,318
Unsecured, considered good	<u>37,011,641</u>	<u>40,151,228</u>
Balance of trade receivables are subject to confirmations/reconciliation, however the management is certain of recovery of all the debtors including debtors outstanding for more than six months.		

**NOTE 12 : CASH & BANK BALANCES**

	In Rupees	
	March 31, 2017	March 31, 2016
Cash & Cash equivalents:		
Balances with banks;		
In Current Accounts	1,841,113	324,664
Cash on hand	4,904	26,498
	<u>1,846,017</u>	<u>351,162</u>

**NOTE 13 : SHORT TERM LOANS & ADVANCES**

	In Rupees	
	March 31, 2017	March 31, 2016
Unsecured, Considered Good		
Receivables from Govrnment Authorities	9,793,758	8,876,434
	<u>9,793,758</u>	<u>8,876,434</u>





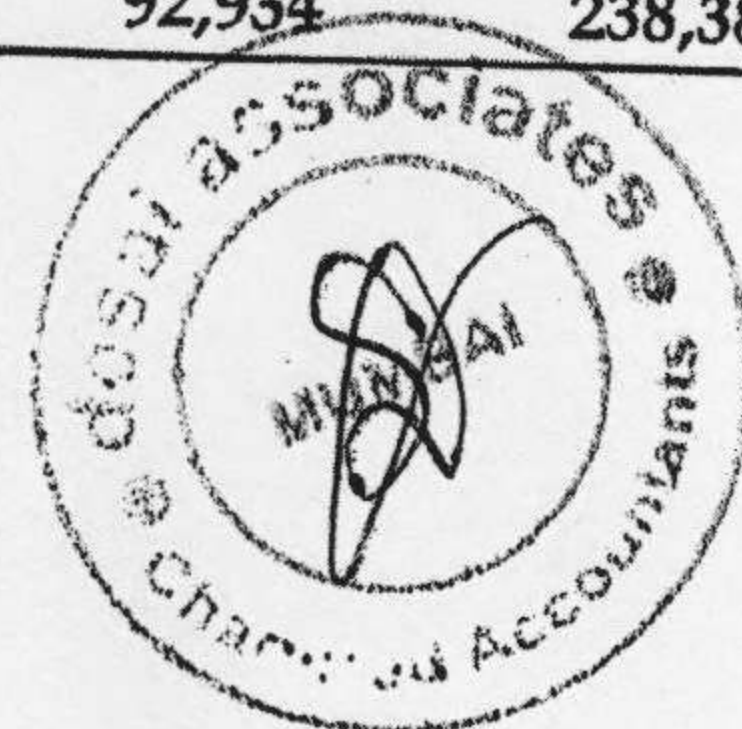
**ADVANCED ENZYTECH SOLUTIONS LIMITED**

CIN: U24200MH2008PLC186383

**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2017**

**NOTE 7 : Tangible Assets**

	Plant and machinery	Office equipments	Furniture and fixtures	Computers	Total
<b>Gross block</b>					
Balance as at March 31, 2015	113,275	69,817	17,500	734,573	935,165
Additions	17,552	86,400	-	65,333	169,285
Disposals	-	-	-	-	-
Balance as at March 31, 2016	130,827	156,217	17,500	799,906	1,104,450
Additions	-	-	-	52,412	52,412
Disposals	-	-	-	-	-
Balance as at March 31, 2017	130,827	156,217	17,500	852,318	1,156,862
<b>Accumulated depreciation and amortisation</b>					
Balance as at March 31, 2015	22,316	52,667	11,113	623,047	709,143
Depreciation and amortisation Prior period	7,954	13,080	1,886	81,911	104,831
Balance as at March 31, 2016	30,270	65,747	12,999	704,958	813,974
Depreciation and amortisation	8,693	40,054	1,329	54,426	104,502
Balance as at March 31, 2017	38,963	105,801	14,328	759,384	918,476
<b>Net block</b>					
Balance as at March 31, 2016	100,557	90,470	4,501	94,948	290,476
Balance as at March 31, 2017	91,864	50,416	3,172	92,934	238,386





# ADVANCED ENZYTECH SOLUTIONS LIMITED

CIN: U24200MH2008PLC186383

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

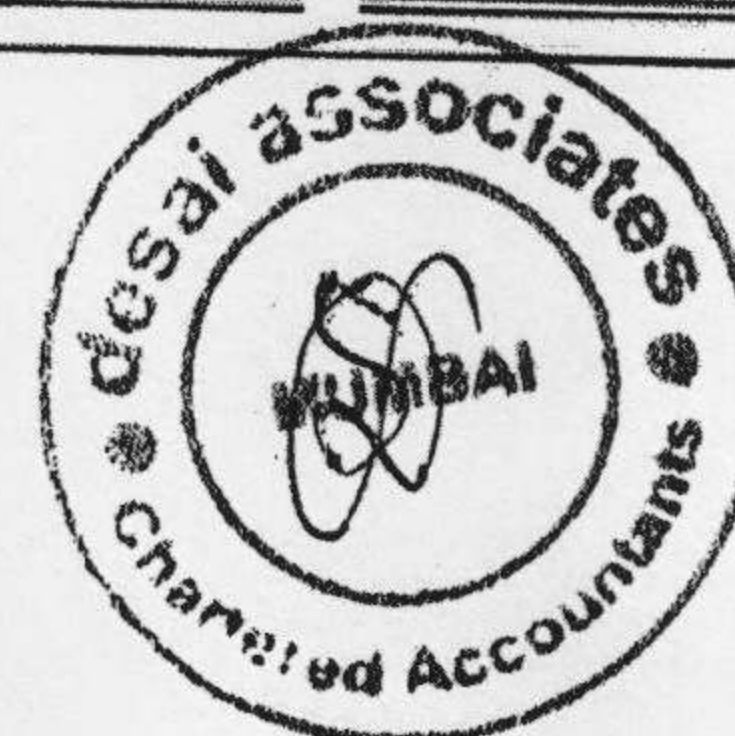
## NOTE 5: TRADE PAYABLES

	In Rupees	
	March 31, 2017	March 31, 2016
Trade payables (including acceptance)		
Total outstanding dues to micro and small enterprises	-	-
Total outstanding dues to others	13,827,377	22,528,588
	<u>13,827,377</u>	<u>22,528,588</u>

The Company has no information about the suppliers regarding their status under the Micro, Small and Medium Enterprises Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid / payable as required under the said act have not been given.

## NOTE 6: OTHER CURRENT LIABILITIES

	In Rupees	
	March 31, 2017	March 31, 2016
Deposit/ Advance from customers	2,318,550	2,324,068
Statutory dues payable to Government Authorities	1,802,553	131,038
Other payables:		
Liabilities for expenses	1,227,255	1,092,679
Employees dues payable	865,428	835,374
	<u>6,213,786</u>	<u>4,383,159</u>





# ADVANCED ENZYTECH SOLUTIONS LIMITED

CIN: U24200MH2008PLC186383

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

## NOTE 23 : OTHER ADDITIONAL NOTES / INFORMATION Contd

### D. Expenditure in Foreign Currency:

Travelling

In Rupees	
Year ended March 31, 2017	Year ended March 31, 2016
-	76,848

### E. Details of 'Specified Bank Notes' held and teansacted during the period from 8 November 2016 to 30 December 2016:

(In INR)

Particulars	Specified Bank Notes	Other denomination Notes	Total
Closing cash in hand as on 08.11.2016	-	3,901	3,901
(+) Permitted receipts	-	22,000	22,000
(-) Permitted payments	-	-	-
(-) Amount deposited in Banks	-	-	-
Closing cash in hand as on 30.12.2016	-	25,901	25,901

F. The Company has taken office premises under operating lease. This is not non- cancellable and is for 60 months and is renewable by mutual consent on mutually agreeable terms. Lease payments amounting to Rs.620,894/- (Rs.605,630/-) are recognised in the Statement of Profit & Loss under the head "Rent Account".

G. There is no changes in accounting policies applied by the company for the year ended March 31, 2017 as compared to those applied for the year ended March 31, 2016.

H. The entire raw material consumption includes only indigenous purchase.

I. Previous Year figures have been regrouped/reclassified, wherever necessary.

Signatures to the Notes to the Financial Statements which form an integral part of these Financial Statements.

In terms of our report attached of even date

For DESAI ASSOCIATES

Chartered Accountants

FRN: 102286W

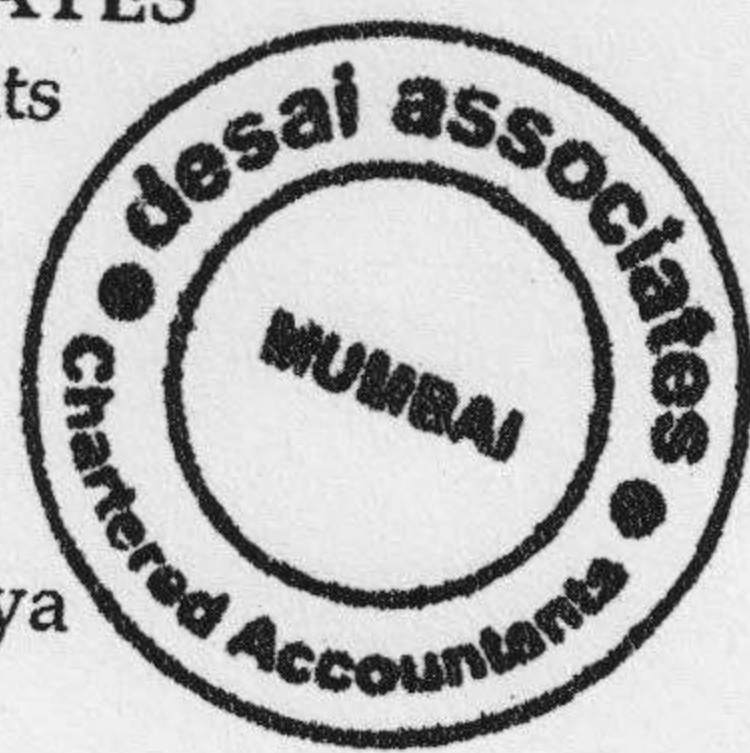
*(Signature)*

Shree Gopal Didwaniya  
Partner

M. No.: 139202

Place : Mumbai

Date : 22/05/17



For and on behalf of the board of direcors of  
Advanced Enzytech Solutions Ltd

*(Signature)*  
Director

DIN: 02256737

Place : Thane

Date : 22/05/17

*(Signature)*  
Director

DIN: 00295213