

AVALON COSMETICS PRIVATE LIMITED
Balance Sheet as at 31st March 2018

(Amount in Rs.)

Particulars	Note No.	As at 31st March 2018	As at 31st March 2017
EQUITY AND LIABILITIES			
Shareholder's Funds			
Share Capital	2	1,187,090	1,187,090
Reserves and Surplus	3	517,097,291	411,336,414
Non-current Liabilities			
Deferred Tax Liabilities (net)	4	18,419,845	20,674,618
Long-term Borrowings	5	352,428,266	625,983,635
Long-term Provisions	6	191,158	191,158
Current Liabilities			
Short-term Borrowings	7	112,947,073	128,403,576
Trade Payables	8	626,832,707	580,005,600
Other Current Liabilities	9	262,961,395	168,230,527
TOTAL		1,892,064,825	1,936,012,618
ASSETS			
Non-current Assets			
Property, Plant and Equipment	10	1,057,661,513	1,151,028,059
Tangible Assets		30,169,838	35,181,062
Capital work-in-progress		156,790,793	136,973,478
Non-current Investments	11	15,205,652	16,250,056
Long-term Loans and Advances	12		
Current Assets			
Inventories	13	140,060,795	222,246,960
Trade Receivables	14	364,619,451	309,198,456
Cash and Bank Balances	15	59,869,171	8,875,487
Short-term Loans and Advances	16	45,644,548	21,806,991
Other Current Assets	17	22,043,063	34,452,069
TOTAL		1,892,064,825	1,936,012,618

Notes form an integral part of the Financial Statements

As per our report of even date attached

For S M M P & Associates
Chartered Accountants



Sonal B. Parekh
Partner

Place : Mumbai

Date : 03rd September, 2018

For AVALON COSMETICS PVT. LTD.

[Signature]
DIRECTOR

AVALON COSMETICS PRIVATE LIMITED
Statement of Profit and Loss for the Year Ended 31st March 2018

(Amount in Rs.)

Particulars	Note No.	For the Year Ended 31st March 2018	For the Year Ended 31st March 2017
Revenue from Operations	18	3,478,443,935	2,329,264,437
Other Income	19	31,680,071	22,089,247
Total Income		3,510,124,006	2,351,353,684
Expenses			
Purchase of Stock-in-Trade	20	878,523	2,198,956
Cost of Material Consumed	21	2,695,496,865	1,776,484,343
Changes in Inventories	22	14,489,478	(31,407,250)
Employee Benefit Expenses	23	207,476,187	171,271,752
Finance Cost	24	72,754,227	79,370,653
Depreciation / Amortization	10	137,738,384	124,385,462
Other Expenses	25	254,784,238	171,030,104
Total Expenses		3,383,617,902	2,293,334,021
Profit / (Loss) before exceptional / extraordinary items and tax		126,506,104	58,019,663
Exceptional Items and Extraordinary Items		-	-
Profit / (Loss) before Tax		126,506,104	58,019,663
Tax Expense			
Current Tax		23,000,000	11,500,000
Deferred Tax		(2,254,773)	1,541,439
Excess & Short Provision of Earlier Years		-	(688,809)
Profit / (Loss) after Tax		105,760,878	45,667,034
Earning / (Loss) per Equity Share			
Basic & Diluted	26	890.93	384.70

Notes form an integral part of the Financial Statements

As per our report of even date attached

For S M M P & Associates
Chartered Accountants

Sonali Parekh



Sonal B. Parekh
Partner

Place : Mumbai

Date : 03rd September, 2018

For AVALON COSMETICS PVT. LTD.

S. K. Sharma
DIRECTOR

AVALON COSMETICS PRIVATE LIMITED
Cash Flow Statement for the Year Ended 31st March 2018

(Amount in Rs.)

Particulars	For the Year Ended 31st March 2018	For the Year Ended 31st March 2017
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Taxation	126,506,104	58,019,663
<u>Adjustments for :-</u>		
Interest Expense	70,329,658	78,473,702
Interest Income	(780,502)	(691,158)
Dividend Income	(489,020)	(396,628)
Profit on Sale of Investment	(139,805)	(1,220,913)
Profit from Partnership Firm	(5,285,697)	(1,863,795)
Depreciation / Amortization	137,738,384	124,385,462
Excess Provision Write Back (gratuity)	-	688,809
<u>Adjustments for Working Capital Changes :-</u>	327,879,122	257,395,142
(Increase) / Decrease in Inventories	82,186,165	(79,121,020)
(Increase) / Decrease in Trade Receivables	(55,420,995)	(154,061,311)
(Increase) / Decrease in Other Current Assets	12,409,005	(12,909,207)
Increase / (Decrease) in Trade Payables	46,827,108	314,596,917
Increase / (Decrease) in Other Current Liabilities	94,730,868	40,499,337
Increase / (Decrease) in Short-term Loans & Advances	(23,837,558)	8,809,561
Increase / (Decrease) in Short-term Borrowings	(15,456,503)	35,748,081
<u>Less :- Taxes paid</u>	141,438,090	153,562,358
Net Cash generated / (used) in Operating Activities (A)	(23,000,000)	(11,500,000)
	446,317,213	399,457,500
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(69,380,515)	(530,098,055)
Sale of Fixed Assets	30,019,901	84,911,181
Dividend Income	489,020	396,628
Interest received	780,502	691,158
Profit from Partnership Firm	5,285,695	1,863,795
Profit on Sale of Investment	139,805	1,220,913
(Purchase) / Sale of Investments	(19,817,314)	(17,244,732)
Net Cash generated / (used) in Investing Activities (B)	(52,482,906)	(458,259,112)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long-term Borrowings		
Advances given	(273,555,369)	131,908,264
Interest paid	1,044,404	5,350,817
Net Cash generated / (used) in Financing Activities (C)	(70,329,658)	(78,473,702)
	(342,840,623)	58,785,379
Net Increase / (Decrease) In Cash & Cash Equivalents (A + B + C)	50,993,684	(16,233)
Cash & Cash Equivalents - Opening Balance	8,875,487	8,891,720
Cash & Cash Equivalents - Closing Balance	59,869,171	8,875,487

Notes form an integral part of the Financial Statements

As per our report of even date attached

For S M M P & Associates
Chartered Accountants

Sonal B. Parekh
Partner

Place : Mumbai

Date : 3rd September, 2018



For AVALON COSMETICS PVT. LTD.

[Signature]
DIRECTOR

AVALON COSMETICS PRIVATE LIMITED
Notes forming part of Balance Sheet as at 31st March 2018

Note 1 :- SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of Accounting

The financial statements have been prepared, except wherever otherwise stated, on accrual basis of accounting and comply with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2006 issued by the Central Government, and other Generally Accepted Accounting Principles in India ("Indian GAAP") to the extent applicable.

1.2 Use of Estimates

The preparation of financial statements requires the Management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expenses during the year. Actual results could differ from the accounting estimates and the difference thereon, if any, is recognized in the period in which the results materialize.

1.3 Inventories

- (i) Inventories are carried at the lower of Cost or Net Realizable Value.
- (ii) Inventories consist of raw material / packing material, work-in progress, finished goods, goods-in transit and stock-in trade.

1.4 Income and Expenses Recognition

- (i) All income and expenses are accounted for on accrual basis, except to the extent stated otherwise.
- (ii) Domestic sales are recognized when they are dispatched to customers at invoice value and are consistently reported net of trade discounts, sales tax and sales returns.
- (iii) Export sales are recognised on the basis of bill of lading.
- (iii) Incentives/ Subsidies from Government are accounted for on receipt basis.

1.5 Trade Receivables and Trade Payables

- (i) Irrecoverable amounts, amounts not payable, etc., if any, are either accounted or provided for as per the management's judgment based on its potential outcome.
- (ii) Discounts, rebates, rate differences, etc. are accounted as and when the claims are settled or accounts are reconciled with the parties.

1.6 Property, Plant and Equipment

- (i) Fixed Assets are stated at cost of acquisition / construction cost, less accumulated depreciation / amortization and impairment loss.
- (ii) Cost includes ancillary expenses, project expenses and pre-operative expenses incurred for the period up to the date the concerned assets are put to use / completion of construction.
- (iii) Depreciation / Amortization is charged under Written Down Value (WDV) method, based on useful lives of the fixed assets and in the manner as prescribed in Schedule II to the Act.

1.7 Capital Work-in progress

Capital Work-in-progress consists of cost of fixed assets that are not ready for its intended use at the reporting date. Expenditure incurred during the construction period directly attributable to the cost of bringing the assets to its working conditions and all common costs allocated on rational basis are treated as 'pre-operative expenses (pending allotment) and are shown under 'Capital Work-in Progress' and the same are allocated on pro-rata basis to the assets capitalized on commencement of commercial operations.

1.8 Borrowing Costs

- (i) Borrowing costs attributable to the acquisition / construction of a qualifying asset are capitalized as part of the cost of such assets, up to the date the assets are ready for their intended use.
- (ii) Other borrowing costs are recognized as an expense in the period in which they are incurred.

1.9 Foreign Currency Transactions



- (i) Income and Expense in foreign currencies are converted at exchange rates prevailing on the date of the transaction.
- (ii) Foreign currency monetary assets and liabilities are translated at the exchange rate prevailing on the balance sheet date and exchange gains and losses are recognized in the statement of profit and loss.

1.10 Investments

- (i) Long-term Investments are stated at cost, less provision for diminution other than temporary in their book value.
- (ii) Current Investments are stated at the lower of cost and fair value.

1.11 Employee Benefits

Gratuity, Leave Encashment and Bonus is accounted for on cash basis.

1.12 Leases

- (i) Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor, are classified as operating leases. Lease rentals under operating leases are recognized in the statement of profit and loss on a straight-line basis.
- (ii) Assets taken on lease by the Company in its capacity as lessee, where the Company has substantially all the risks and rewards of ownership are classified as finance lease. Such a lease is capitalized at the inception of the lease at lower of the fair value or the present value of the minimum lease payments and a liability is recognized for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

1.13 Impairment of Assets

The Management reviews the carrying amounts of its assets included in each cash generating unit to whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset. Reversal of impairment loss is recognized as income in the statement of profit and loss.

1.14 Taxation

- (i) Current Tax is determined as the amount of tax payable in respect of taxable income for the year based on applicable tax rates and provisions.
- (ii) Deferred Tax is recognized on the basis of timing differences, being the difference between taxable income and accounting income that originate in one period and is likely to reverse in one or more subsequent periods and is measured using tax rates that have been enacted or substantively enacted as at the Balance Sheet date. In the event of unabsorbed depreciation and / or carry forward losses, deferred tax assets are recognized only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available to realize such assets. In other situations, deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available to realize these assets. Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction for relevant tax paying units and where the Company is able to and intends to settle the asset and liability on a net basis. The Company offsets deferred tax assets and deferred tax liabilities if it has a legally enforceable right and these relate to taxes on income levied by the same governing taxation laws.
- (iii) Minimum Alternate Tax is recognized as an asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with it will realize.

1.15 Provisions, Contingent Liabilities and Contingent Assets

- (i) A provision is recognized when a present obligation exists as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made.
- (ii) Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.
- (iii) Contingent liabilities are not recognized in the financial statements. A contingent asset is neither recognized nor disclosed in the financial statements.



AVALON COSMETICS PRIVATE LIMITED
Notes forming part of Balance Sheet as at 31st March 2018

(Amount in Rs.)

Note 2 :- Share Capital

Particulars	As at 31st March 2018	As at 31st March 2017
Authorized Capital		
10,00,000 Equity Shares of Rs.10 each	10,000,000	10,000,000
	10,000,000	10,000,000
Issued, Subscribed & Paid-up Capital		
1,18,709 Equity Shares of Rs.10 each, fully paid-up	1,187,090	1,187,090
Total	1,187,090	1,187,090

a) Reconciliation of the number of equity shares outstanding

Particulars	As at 31st March 2018	As at 31st March 2017
Number of shares at the beginning	118,709	118,709
Add :- Number of shares issued	-	-
Number of Equity Shares at the end	118,709	118,709

b) Rights, preferences and restrictions attached to the equity shares

The company has one class of equity shares having a par value of Rs 10 per share.
Each holder of equity share is entitled to one vote per share.

c) Particulars of shareholders holding more than 5% of the aggregate equity shares in the Company

Particulars	As at 31st March 2018		As at 31st March 2017	
	No. of shares held	% of shareholding	No. of shares held	% of shareholding
Sameer Kothari	45,000	38%	45,000	38%
Asha Kothari	45,000	38%	45,000	38%
Vanitycase India Private Limited	26,911	23%	26,911	23%

Note 3 :- Reserve & Surplus

Particulars	As at 31st March 2018	As at 31st March 2017
Reserves		
Capital Subsidy Reserve	1,016,382	1,016,382
Securities Premium	4,593,328	4,593,328
(A)	5,609,710	5,609,710
Surplus / (Deficit) in Statement of Profit and Loss		
Opening Balance	405,726,704	360,059,671
Add / (Less) :- Profit / (Loss) for the Year	105,760,877	45,667,034
Closing Balance	511,487,581	405,726,704
Total (A+B)	517,097,291	411,336,414

Note 4 :- Deferred Tax Liability (net)

Particulars	As at 31st March 2018	As at 31st March 2017
Deferred Tax Liability (due to difference in depreciation under the Companies Act & the Income tax Act)	18,419,845	20,674,618
Total	18,419,845	20,674,618



Note 5 :- Long-term Borrowings

Particulars	As at 31st March 2018	As at 31st March 2017
Term Loan from Banks / Financial Institutions		
<u>ICICI Bank</u> <i>(Hyderabad Unit)</i> (secured by pari passu charge of hypothecation on the entire fixed assets, both present & future to be created and second charge by way of equitable mortgage on the Company's properties situated at Hyderabad Unit. This loan is repayable in 28 quarterly installments commencing from January 2016.)	70,152,914	99,140,330
ICICI Bank (SFXL)	29,980,578	38,974,758
<u>Shamrao Vithal Co-operative Bank</u> <i>(Hyderabad Unit)</i> (secured by pari passu charge of hypothecation on Land & Construction of Factory Shed at Hyderabad Unit and Hypothecation of Plant & Machinery, Utilities, Computers, Fittings, Furniture & Fixtures. This loan is repayable in 72 Equal Monthly Installments (EMI's) commencing from November 2015, interest served @ 11.50% p.a.)	111,562,840	149,011,217
<u>Shamrao Vithal Co-operative Bank</u> <i>(Hyderabad Unit)</i> (secured by first pari-passu charge of hypothecation on Fixed Assets created out of Term Loan at Hyderabad Unit. This loan is repayable in 60 Equal Monthly Installments (EMI's) commencing from April 2017, interest served @ 11.50% p.a.)	49,647,123	65,396,842
<u>Shamrao Vithal Co-operative Bank (Coimbatore Unit)</u> (secured by equitable mortgage of Land & Building and hypothecation of Plant & Machinery at Coimbatore Unit. This loan is repayable in 60 Equated Monthly Installments (EMI's) commencing from May 2013, interest served @ 12.50% p.a.)	13,434,556	69,359,948
<u>Small Industries Development Bank of India</u> <i>(Coimbatore Unit)</i> (secured against subservient charges against on the entire fixed assets, both present & future to be created and first & exclusive charge by way of equitable mortgage on the Company's properties situated at Nashik Unit and Coimbatore Unit. This loan is repayable in 57 monthly installments commencing from July 2014.)	-	11,075,000
<u>Shamrao Vithal Co-operative Bank</u> <i>(Nashik Unit)</i> (secured by equitable mortgage of Land & Building and hypothecation of Plant & Machinery at Nashik Unit. This loan is repayable in 60 Equated Monthly Installments (EMI's) commencing from May 2013, interest served @ 12.50% p.a.)	7,369,893	15,587,769
<u>ICICI Bank</u> <i>(Kalambl Unit)</i> (secured by equitable mortgage of Land & Building and hypothecation of Plant & Machinery at Hyderabad Unit. This loan is repayable in 28 quarterly Installments commencing from January 2016.)	70,280,361	177,437,769
Total	352,428,266	625,983,635

Note 6 :- Long-term Provisions

Particulars	As at 31st March 2018	As at 31st March 2017
Provision for Gratuity (unfunded)	191,158	191,158
Total	191,158	191,158



Note 7 :- Short-term Borrowings

Particulars	As at 31st March 2018	As at 31st March 2017
ICICI Bank CC Account (<i>Hyderabad Unit</i>) (secured against First Pari passu charge by way of hypothecation of Inventories, Trade Receivables and Other Current Assets at Nashik, Hyderabad and Coimbatore Unit and Second Charge on Nashik Fixed Assets and personally guaranteed by two directors.)	43,478,034	72,706,171
Shamrao Vithal CC Account (<i>Nashik Unit</i>) (secured against first charge by way of hypothecation of entire assets at the Company, including stock & receivables, both present & future, at the Company's units at Hyderabad, Nashik and Coimbatore but excluding Poanta Sahib on pari passu basis, interest served @ 12.50%p.a.)	69,469,039	55,697,405
Total	112,947,073	128,403,576

Note 8 :- Trade Payables

Particulars	As at 31st March 2018	As at 31st March 2017
For capital goods	46,852,418	48,219,426
For goods	434,248,199	361,875,389
For expenses	145,732,091	169,910,786
Total	626,832,707	580,005,600

Note 9 :- Other Current Liabilities

Particulars	As at 31st March 2018	As at 31st March 2017
Current maturities of long-term debt	192,610,833	126,202,363
Advances received	28,196,150	8,113,410
Security deposit received	100,000	100,000
Book overdraft with bank	-	818,958
Employees dues payable	974,836	1,101,401
Provision for taxation (net of advance tax)	23,000,000	11,500,000
Statutory dues payable	12,298,172	14,855,812
Provision for expenses	5,781,404	5,538,584
Total	262,961,395	168,230,527



AVALON COSMETICS PRIVATE LIMITED
Notes forming part of Balance Sheet as at 31st March 2018

Note 10 - Fixed Assets

(Amount in Rs)

Sr. No.	Particulars	Additions during the Year				DEPRECIATION				NET BLOCK	
		As at 01.04.2017	Additions during the Year	Deductions/ Transferred during the Year	As at 31.03.2018	Upto 01.04.2017	Provided during the Year	Upto 31.03.2018	As at 31.03.2018	As at 31.03.201	
TANGIBLE ASSETS											
1	Leasehold Land	237,827,900	-	7,857,578	229,970,322	799,957	-	799,957	229,170,365	237,027,900	
2	Factory Premises	614,011,763	11,960,551	-	625,972,313	177,065,961	43,056,737	220,122,698	405,849,615	436,945,800	
3	Borewell	199,595	-	-	199,595	98,803	18,424	117,228	82,367	100,750	
4	Plant & Machinery	730,829,226	39,027,597	-	769,856,823	278,024,085	88,080,804	366,104,889	403,751,934	452,805,140	
5	Factory and Office Equipments	24,756,812	695,350	-	25,452,163	10,826,748	3,448,783	14,275,530	11,176,632	13,930,060	
6	Furniture and Fixtures	20,615,291	164,768	-	20,780,059	12,647,245	2,139,525	14,786,770	5,993,289	7,968,040	
7	Computers	5,128,044	381,151	-	5,509,195	4,125,799	659,454	4,785,253	723,942	1,002,240	
8	Motor Vehicles	3,319,788	-	-	3,319,788	2,071,763	332,972	2,404,735	915,054	1,248,020	
	SUB-TOTAL (A)	1,636,688,419	52,229,416	7,857,578	1,681,060,258	485,660,361	137,738,384	623,398,745	1,057,661,513	1,151,028,050	
CAPITAL WORK-IN PROGRESS											
1	Pre-operative Expenses (Pending Allotment)	18,847,016	15,110,692	15,215,206	18,742,502	-	-	-	18,742,502	18,847,016	
2	Factory Building under Construction	9,386,929	310,299	-	9,697,228	-	-	-	9,697,228	9,386,929	
3	Assets	6,947,117	1,730,109	6,947,117	1,730,109	-	-	-	1,730,109	6,947,117	
	SUB-TOTAL (B)	35,181,062	17,151,099	22,162,323	30,169,838	-	-	-	30,169,838	35,181,062	
	Total (Current Year) (A+B)	1,671,869,482	69,380,515	30,019,901	1,711,230,096	485,660,361	137,738,384	623,398,745	1,087,831,351	1,186,209,121	
	Total (Previous Year)	1,226,682,607	530,098,055	84,911,181	1,671,869,482	361,274,939	124,385,462	485,660,361	1,186,209,121	-	



AVALON COSMETICS PRIVATE LIMITED
Notes forming part of Balance Sheet as at 31st March 2018

(Amount in Rs.)

Note 11 :- Non-current Investments

Particulars	As at 31st March 2018		As at 31st March 2017	
(at cost, non-trade)				
(i) In Equity Shares				
(quoted, FV :- Rs.10 each, fully paid-up)				
Srf Ltd.	24,676	5,373,706	24,676	5,373,706
Welspun India Ltd.	5,500	48,909	5,500	48,909
Reliance Industries Ltd.	168	160,401	168	160,401
Reliance Power Ltd.	4,100	894,128	4,100	894,128
Future Capital Holdings Ltd.	33	25,245	33	25,245
Ongc Ltd. (1200+600 Bonus)	1,800	299,690	1,800	299,690
Tata Motors Ltd. (Dvr)	5,152	1,102,702	5,152	1,102,702
Tril	88	35,541	88	35,541
Adf Foods Ltd.	16,000	1,064,277	16,000	1,064,277
Spice Jet Ltd.	40,000	1,290,457	40,000	1,290,457
Maruti Suzuki Ltd.	500	621,796	500	621,796
Jhs Sven Ltd.	6,000	450,612	6,000	450,612
Jyothy Laboratories	8,692	1,310,232	8,692	1,310,232
Laksmi Machines Ltd.	213	742,007	213	742,007
Adani Power Ltd.	16,900	968,814	16,900	968,814
Bfinvest	5,000	309,743	5,000	309,743
Reliance Communication	2,000	186,295	2,000	186,295
Glaxosmithkline Consumer Healthcare Ltd.	300	1,126,429	300	1,126,429
3infotech	-	-	5,000	26,150
Siemens	-	-	100	110,420
Pateleng	-	-	400	32,715
Tanaa	1,500	113,094	1,500	113,094
Yes Bank	-	-	5	3,785
Schneider	750	133,294	750	133,294
Aban	50	15,314	50	15,314
Balmilawre (100+300 Bonus)	-	-	400	63,522
Nestle Ltd.	100	615,808	100	615,808
Idfc	1,000	154,969	1,000	154,969
Sunpharma	1,150	950,687	1,150	950,687
Bharatforg	1,200	664,257	600	664,257
Varun Shipping	12,500	112,074	12,500	112,074
Infy	50	52,024	50	52,024
Bomdying	-	-	500	24,960
S.H.Kelkar	500	109,005	500	109,005
Fcel	-	-	4,000	90,920
Omax	-	-	500	82,565
Tata Motors	250	113,467	250	113,467
(A)		19,044,976		19,480,014
(ii) In Equity Shares				
(unquoted, FV :- Rs.10 each, fully paid-up)				
Shamrao Vithal Co-operative Bank		2,600		2,600
Jankalyan Sahakari Bank		1,000		1,000
(B)		3,600		3,600
(iii) In Partnership Firm				
Fixed Capital				
Athene Laboratories		250,000		250,000
Shivom Industries		50,000		50,000
Current Capital				
Athene Laboratories		64,021,228		78,347,771
Shivom Industries		25,818,357		14,994,956
Spans healthcare		47,602,632		23,847,138
(C)		137,742,216		117,489,865
		156,790,793		136,973,479

[Aggregate Market Value of Investments Rs. 645.63 Lacs (Previous Year :- Rs. 642.98 Lacs)]



AVALON COSMETICS PRIVATE LIMITED
Notes forming part of Balance Sheet as at 31st March 2018

(Amount in Rs.)

Note 12 :- Long-term Loans and Advances

Particulars	As at 31st March 2018	As at 31st March 2017
Capital advances	2,045,379	3,685,339
Security deposit given	13,160,273	12,564,717
Total	15,205,652	16,250,056

Note 13 :- Inventories

Particulars	As at 31st March 2018	As at 31st March 2017
(as certified by management, valued at cost)		
Raw material / packing material	74,889,730	142,764,631
Work-in progress	4,594,409	15,759,993
Finished goods	60,203,949	62,817,215
Goods-in transit	372,708	905,121
Total	140,060,795	222,246,960

Note 14 :- Trade Receivables

Particulars	As at 31st March 2018	As at 31st March 2017
(unsecured, considered good)		
Outstanding for more than six months	745,878	515,210
Others	363,873,573	308,683,246
Total	364,619,451	309,198,456

Note 15 :- Cash and Bank Balances

Particulars	As at 31st March 2018	As at 31st March 2017
Cash and Cash Equivalents		
Cash-in hand	642,660	869,775
Balances with banks in current accounts	55,938,222	5,712,922
Other Bank Balances		
Bank deposits with more than 12 months maturity	3,288,288	2,292,790
Total	59,869,171	8,875,487

Note 16 :- Short-term Loans and Advances

Particulars	As at 31st March 2018	As at 31st March 2017
(unsecured, considered good)		
Advance given	28,763,053	8,047,238
Staff loans and advances	411,655	262,234
Advance tax (net of provision for tax)	16,469,841	13,497,519
Total	45,644,548	21,806,991

Note 17 :- Other Current Assets

Particulars	As at 31st March 2018	As at 31st March 2017
Advance to body corporate	996,723	-
Prepaid expenses	1,919,160	2,977,375
Interest Accrued On FD With SVCBank	193,955	193,955
Receivable from Customs Authority	1,142,725	1,142,725
Cenvat credit receivable	-	7,659,815
Service tax input credit receivable	1,264,346	231,409
Input tax credit (GST)	16,526,155	12,194,612
Insurance claim receivable	-	10,000,000
DEPB licence receivable	-	52,178
Total	22,043,063	34,452,069



AVALON COSMETICS PRIVATE LIMITED
Notes forming part of Statement of Profit and Loss for the year ended 31st March 2018

(Amount in Rs.)

Note 18 :- Revenue from Operations

Particulars	For the Year Ended 31st March 2018	For the Year Ended 31st March 2017
From sales	3,067,570,433	2,035,901,363
From processing charges	280,873,502	293,363,074
Commitment Charges	130,000,000	-
Total	3,478,443,935	2,329,264,437

Note 19 :- Other Income

Particulars	For the Year Ended 31st March 2018	For the Year Ended 31st March 2017
Loading and Unloading	-	694,502
Interest	780,502	691,158
Interest on IT refund	-	1,031,894
Dividend	489,020	396,628
Discount received	319	3,464,176
Interest received on electricity deposit	381,180	156,000
Share in profits from partnership firm	5,285,697	1,863,795
Profit / Loss on sale of investments	139,805	1,220,913
Profit on sale of land	20,392,423	-
Sale of Scrap	3,935,820	6,470,124
Exchange rate fluctuations	-	11,060
Sundry Balances Written Back	370	3,360,703
Miscellaneous Income	274,935	2,728,296
Total	31,680,071	22,089,247

Note 20 :- Purchase of Stock-in-Trade

Particulars	For the Year Ended 31st March 2018	For the Year Ended 31st March 2017
Purchases of Trading Goods	878,523	2,198,956
Total	878,523	2,198,956

Note 21 :- Cost of Material Consumed

Particulars	For the Year Ended 31st March 2018	For the Year Ended 31st March 2017
Opening stock of Raw Material & Packing Material	149,393,513	95,026,041
Opening goods-in transit	905,121	929,939
Add :- Purchases+Import+Customs Duty+Freight	2,627,427,470	1,824,198,114
Less :- Closing stock of Raw Material, Packing Material & Bulk	(82,229,240)	(142,764,631)
Less :- Goods in transit	-	(905,121)
Total	2,695,496,865	1,776,484,343

Note 22 :- Changes in Inventories

Particulars	For the Year Ended 31st March 2018	For the Year Ended 31st March 2017
Opening Stock of Finished Goods	58,118,854	38,888,529
Less :- Closing Stock of Finished Goods	-53,484,434	(62,817,215)
(A)	4,634,419	(23,928,686)
Opening Stock of Work-in Progress	13,829,472	8,281,429
Less :- Closing Stock of Work-in Progress	(3,974,414)	(15,759,993)
(B)	9,855,059	(7,478,564)
Total (A+B)	14,489,478	(31,407,250)



Note 23 :- Employee Benefit Expenses

Particulars	For the Year Ended 31st March 2018	For the Year Ended 31st March 2017
Salaries and incentives	193,454,379	158,866,114
Bonus	4,342,526	3,854,138
Contributions to Provident Fund & ESIC	4,928,948	4,425,286
Staff Welfare	4,750,334	4,126,214
Total	207,476,187	171,271,752

Note 24 :- Finance Cost

Particulars	For the Year Ended 31st March 2018	For the Year Ended 31st March 2017
Interest	70,329,658	78,473,702
Bank Charges	2,424,569	896,951
Total	72,754,227	79,370,653

Note 25 :- Other Expenses

Particulars	For the Year Ended 31st March 2018	For the Year Ended 31st March 2017
Advertisement & Publicity	98,885	427,315
Audit Fees	210,000	384,754
Car Hire Charges	100,000	92,500
Cleaning Charges	225,249	364,841
Computer Expenses	359,909	334,003
Consumable Stores	10,299,973	9,594,548
Conveyance & Travelling	2,955,943	3,790,544
Courier Charges	773,883	501,665
Donation	273,957	515,541
Factory Expenses	8,178,636	5,493,545
Freight	6,769,694	4,719,480
Exchange Rate Fluctuations	228,353	1,773
Gardening Expenses	538,209	356,481
Guest House Expenses	179,995	133,526
Inspection Fees	161,943	150,699
Insurance	3,344,026	1,838,754
Other Interest	3,628	1,030,439
Laboratory Expenses	4,725,212	2,407,891
Manpower charges	2,111,343	724,744
Office Expenses	498,619	245,607
Packing Expenses	28,419,929	18,801,751
Pollution Control Expenses	22,083	33,438
Power & Fuel Expenses	69,655,120	53,244,021
Printing & Stationery	1,899,919	1,680,125
Professional Fees	11,523,488	9,698,664
Rent, Rates and Taxes	33,317,745	34,565,482
Repairs & Maintenance	45,268,527	13,049,857
Security Charges	5,633,089	4,173,618
Insurance Claim Receivable written off	10,000,000	-
Sundry Balance w/off	2,663,447	-
Telephone and Internet Charges	498,464	612,058
Vehicle Expenses	637,121	688,786
Water Charges	963,532	973,587
Miscellaneous Expenses	2,244,317	400,068
Total	254,784,238	171,030,104



AVALON COSMETICS PRIVATE LIMITED
Notes forming part of Balance Sheet as at 31st March 2018 (Cont.)

26. Earning / (Loss) per Equity Share (basic and diluted)

Particulars	For the Year Ended 31st March 2018	For the Year Ended 31st March 2017
Amount used as Numerator (Profit after Tax) (Rs.)	105,760,878	45,667,034
Amount used as Denominator (No. of Equity Shares) (Nos.)	118,709	118,709
Nominal Value per Equity Share (Rs.)	10.00	10.00
Earnings / (Loss) per Equity Share (Rs.)	890.93	384.70

27. Contingent liabilities as may arise due to delayed / non-compliance of certain fiscal statutes :- Amount unascertainable (Previous Year - Amount unascertainable)

28. No provision has been considered necessary in the Company's accounts in respect of erosion, if any, in the book value of investments, since the said investments are of long term nature and the diminution as at Balance Sheet date is temporary.

29. As per the provisions of Section 135 of the Act, the Company is required to incur Corporate Social Responsibility (CSR) expenditure being not less than 2% of the average net profit during the immediately three preceding financial years, calculated in the manner as stated in the Act. Accordingly, during the year, the Company has incurred an amount of Rs. 2.75 Lacs pertaining to current year CSR requirement promoting health care and rural development.

30. The Company has not complied with the provisions of Section 138 of the Act, in respect of appointment of an Internal Auditor to conduct internal audit of the functions and activities of the Company during the year. The Company expects regularisation in respect of this in near future.

31. The Company has written off the insurance claim receivable pertaining to earlier years pending to be recovered / realized for a long period in the accounts amounting to Rs.100 Lacs.

32. The Company accounts for Gratuity, Leave Encashment and Bonus on cash basis, which is in material departure of the requirements of Accounting Standard 15, Employee Benefits. Amount of such non-provision on actuarial basis is unascertainable (Previous year :- Amount unascertainable).

33. The Company is of the view that there are no indications of material impairment and the carrying amount of its fixed assets or where applicable, the cash generating unit to which these assets belong, do not exceed their recoverable amounts (i.e., the higher of the assets' net selling price and value in use). Hence, no impairment had arisen during the year as per Accounting Standard-28 Impairment of Assets in respect of its fixed assets.

34. There are no Micro and Small Enterprise to whom the Company owes dues, as at March 31, 2018 (Previous year - Nil).

35. In the opinion of the management, Current Assets and Loans & Advances are realizable at the values stated in the financial statements in the ordinary course of business and adequate provision for all known liabilities has been made in the accounts.

36. The Company has received Rs. 1300 Lakhs against a settlement done with a customer as regards to non-utilization of part of manufacturing facility and capacity which was built exclusively for the customer as per the terms of agreement signed between the said parties. The said amount has been shown under the head Revenue from Operations.

37. The Board of Directors of the Company has approved in the Board Meeting dated 24th May, 2018 a scheme of arrangement to transfer by way of a demerger of the Contract Manufacturing (Hyderabad) Business of the Company to Hindustan Foods Limited and consequent issue of equity shares by the Resulting Company to the shareholders of the Company from the appointed date as mentioned in scheme. However the implementation of above mentioned scheme is subject to approvals from various agencies including the National Company Law Tribunal.

38. Capital Work-in Progress includes Rs. 9.39 Lacs (Previous Year :- 9.39 Lacs) being incurred on a building under construction at the Company's Nashik Unit over the last three years. The Company is hopeful of the completion of the same in near future.

39. Long-term Loans and Advances include Rs. 8.49 Lacs given in earlier years, the performance against which is pending as at the Balance Sheet date. However, no provision against the same has been considered, since the Company is hopeful of its performance / recovery in near future.

40. Certain balances under the heads of Trade receivables, Loans and Advances and Current Liabilities are subject to confirmation from the respective parties and consequential reconciliation, if any. However the Company is of the opinion that there will not be any material adjustment as a consequence of such reconciliations.

41. Inventories as at the Balance Sheet date are taken, valued and certified by the Management.

42. The Company does not have any non cancellable leases during the year under review and hence, disclosure required by AS-19 - "Accounting for Leases" is not applicable.

43. The Company is a Partner in the following Partnership Firms :-

- (i) Athene Laboratories
- (ii) Shivom Industries
- (iii) Spans Healthcare

The relevant details are as follows :-

(i) Athene Laboratories

(a) Names of the Partners along with Profit Sharing Ratio

Name of the Partners	Profit Sharing Ratio
Avalon Cosmetics Private Limited (the Company)	50%
Sameer R. Kothari	30%
Aditi S. Kothari	20%
Total	100%

(b) Total Capital of the Firm :- Rs. 237.92 Lacs

(c) Share of Profit :- Rs. 64.07 Lacs (Previous Year - Rs. 54.60 Lacs) has been recognized in the Statement of Profit and Loss.

(ii) Shivom Industries

(a) Names of the Partners along with Profit Sharing Ratio

Name of the Partners	Profit Sharing Ratio
Avalon Cosmetics Private Limited (the Company)	30%
Mahak Cosmetics & Credits P. Ltd	35%
Asha R. Kothari	35%
Total	100%

(b) Total Capital of the Firm :- Rs. 363.31 Lacs

(c) Share of Profit :- Rs. 2.73 Lacs (Previous Year - Rs. 3.55 Lacs) has been recognized in the Statement of Profit and Loss.

(iii) Spans Healthcare

(a) Names of the Partners along with Profit Sharing Ratio

Name of the Partners	Profit Sharing Ratio
Avalon Cosmetics Private Limited	50%
Aditi S. Kothari	50%
Total	100%

(b) Total Capital of the Firm :- Rs. 412.26 Lacs

(c) Share of (Loss) for the year :- Rs. -13.95 Lacs (Previous Year - Loss of Rs.39.51 Lacs) has been recognized in the Statement of Profit and Loss.



44. Segment Reporting (as required by AS-17)

Segment information has been prepared in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company.

As regards secondary reporting, revenues are attributed to business/geographical areas based on the location of the customers.

The table below presents the revenue, profit, assets and liabilities information relating to the business/geographical segments as at 31st March, 2018 :-

(Amount in Lacs)

Particulars	(Ponta &	Food	Food	Detergent	(Ponta &	Unallocable	Total
	Poanta	Nasik	Coimbatore	Hyderabad	Kalambh		
External Revenue	89.88	1,477.35	1,876.08	24,013.90	7,644.02	-	35,101.24
	112.23	1,391.88	2,015.75	17,909.34	2,084.33	-	23,513.53
Segment Results	(194.44)	(243.78)	182.07	339.63	1,181.57	-	1,265.06
	(90.19)	(123.59)	335.92	201.63	256.43	-	580.20
Profit (before Tax)							1,265.06
							580.20
Current Tax							230.00
							(108.11)
Deferred Tax							(22.55)
							(15.42)
Profit (after tax)							1,057.61
							456.67
Segment Assets	1,391.87	1,621.47	2,732.84	7,645.83	5,038.31	553.83	18,984.16
	1,491.42	1,676.36	3,041.32	8,258.66	4,576.39	356.93	19,401.08
Segment Liabilities	1,893.65	933.90	2,642.88	9,087.47	4,617.93	181.08	19,356.91
	1,725.88	1,049.47	3,067.92	9,503.55	3,874.66	179.60	19,401.08
Depreciation	30.09	119.81	280.20	758.51	188.31	0.47	1,377.38
	36.90	138.05	325.33	706.69	36.89	-	1,243.86

Note :- Previous Year's figures are shown in bold.

45. Details of Raw Materials, Spare parts and Consumables consumed

Particulars	For the Year Ended 31st March 2018		For the Year Ended 31st March 2017	
	Value	%	Value	%
Imported	43,018,094	1.60%	23,506,434	1.32%
Indigenous	2,652,478,771	98.40%	1,752,977,909	98.68%
	2,695,496,865		1,776,484,343	

46. Expenditure in Foreign Currency

(i) CIF value of Goods imported :- Rs. 445.86 Lacs (Previous Year :- Rs. 315.67 Lacs)

(ii) CIF value of Plant & Machinery imported :- Rs. 12.74 Lacs (Previous Year :- Rs.276.52 Lacs)

47. The details required to be provided under broad heads in respect of raw material and trading goods as per the general requirements of Schedule III to the Act cannot be ascertained as the system is not capable of providing the same. The Company expects regularisation in respect of this in near future.



48. Related Parties Disclosures (as required by AS-18)

Related parties and their relationship

(i) Key Managerial Personnel (KMP)

Mr. Sameer R. Kothari

(ii) Entities over which KMP or their relatives exercise direct control or significant influence (Associates)

- (1) Shivom Industries (Partnership Firm)
- (2) Spans Healthcare (Partnership Firm)
- (3) Athene Laboratories (Partnership Firm)
- (4) Adonia Cosmetics Pvt.Ltd.
- (5) Vanity Case India Pvt. Ltd.
- (6) Allies Logistics Pvt Ltd
- (7) Hindustan Foods Ltd.

Transactions with related parties

(Amount in Lacs)

Particulars	Transactions with Key Management Personnel (KMP)	Transactions with Entities over which KMP or their relatives exercise direct control or significant influence (Associates)	Total
Sale of Land	-	280.25	280.25
Sale of Goods	-	(60.93)	(60.93)
Purchase of Raw Material	-	39.14	39.14
Remuneration	24.00 (24.00)	-	24.00 (24.00)
Purchase of Fixed Assets	-	4.55	4.55
Expenses	-	(0.29)	(0.29)

Note :- (i) Related parties are identified by the Company and relied upon the Auditors.
(ii) Previous Year's figures are shown in brackets.

49. Taxation

(i) **Current Tax** :- Provision towards Current Taxation has been made as per the relevant provisions of the Income Tax Act, 1961 to the extent of Rs. 230.00 Lacs (Previous year: Rs. 115.00 Lacs).

(ii) **Deferred Tax Asset** :- Deferred Tax Asset has been recognized as per Accounting Standard- 22 as under :-

(Amount in Rs.)

Particulars	As at 31st March 2018	As at 31st March 2017
Opening Deferred Tax Liability	(20,674,619)	(19,133,180)
Closing Deferred Tax Liability (on account Timing Differences)	(18,419,845)	(20,674,619)
Effect in Statement of Profit & Loss (Liability)	(2,254,774)	1,541,439

Tax Rate :- 33.384 % (Previous Year :- 33.063%)

50. Previous year's figures have been regrouped / reclassified wherever necessary, to conform to current year's classification.



For AVALON COSMETICS PVT. LTD.

[Signature]
DIRECTOR