

**ADVANCE
PETROCHEMICALS
LIMITED**



32nd
Annual
Report
2016-2017

ADVANCE PETROCHEMICALS LTD.

ADVANCE PETROCHEMICALS LIMITED
(CIN L23200GJ1985PLC008013)
32nd ANNUAL REPORT

BOARD OF DIRECTORS

Ashok Goenka CMD (DIN: 00086925)
Arvind Goenka Director (DIN:00093200)
Shailesh Singh Rajput WTD (DIN:00176962)
Omprakash Jalan Director (DIN:00176876)
Nirish J. Parikh Director (DIN:03506494)
Aanchal Goenka Director (DIN:07145448)

AUDITORS

Pipara & Co.
Chartered Accountants,
"Pipara Corporate House"
Netaji Marg, Law Garden,
Ahmedabad-380006.

ANNUAL GENERAL MEETING

At 12.30 P.M. On Friday,
29th September, 2017
Plot No.167
Pirana Approach
Village: Piplej, Ahmedabad.

BANKERS

Oriental Bank of Commerce
C.G. Road Branch,
Ahmedabad – 380 006.

Natraj Arli - CFO

Shareholders are requested to bring their copy of the Annual Report along with them at the Meeting, as Report will not be distributed at the meeting.

REGISTRAR & TRANSFER AGENT

Bigshare Services Pvt. Ltd.
1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road,
Marol, Andheri (E), Mumbai - 400059
Phone: 022-62638200
Email id: info@bigshareonline.com

REGISTERED OFFICE

36, Kothari Market
Kankaria Road,
Ahmedabad – 380 022.

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NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 32nd Annual General Meeting of the members of Advance Petrochemicals Limited will be held on Friday, September 29, 2017 at 12.30 p.m. at Plot No,167, Pirana Approach Village Piplej, Ahmedabad: 382405 to transact the following business;

Ordinary Business

1. To receive, consider and adopt the audited Financial Statement for the year ended on 31st March 2017 and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Mr. Ashok Goenka (DIN 00086925) who retires by rotation and being eligible offers himself for re appointment.
3. To appoint a director in place of Mr. Shaileshsingh Rajput (DIN 00176962) who retires by rotation and being eligible offers himself for re appointment.
4. To appoint M/s.Devpura Navlakha & Co., Chartered Accountants, (Firm Registration Number 121975W) as Statutory Auditors of the Company for a period of five years to hold office from the conclusion of this Annual General Meeting till the conclusion of the 37th Annual General Meeting to be held in the calendar year 2022 and to fix their remuneration.

By Order of the Board
For, Advance Petrochemicals Ltd

Ashok Goenka
Chairman & Managing Director
DIN 00086925

Registered Office :
36, Kothari Market,
Ahmedabad – 380 022

Place: Ahmedabad
Date: 14/08/2017

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NOTES:

1. A member entitle to attend and vote at the meeting is entitled to appoint one or more proxy to attend and vote instead of himself/herself and such proxy need not be a member of the Company. The proxy form in order to be effective must be received by the company not less than 48 hours before the commencement of the meeting.
2. A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as proxy for any other person or member. A Proxy form is enclosed herewith.
3. The relevant statement pursuant to Section 102 of the Companies Act, 2013 (the Act, if any set out above is annexed hereto.
4. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution authority, as applicable together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
5. The Register of Members and the share transfer book of the company will remain closed from September 22, 2017 to September 29, 2017 (both days inclusive)
6. Members are requested to notify immediately any change in their address with the Company's Share Transfer Agents – M/s. Bigshare Services Private Limited 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai-400059.
7. Members/proxies should bring their attendance slips duly filled in for attending the meeting.
8. Shareholders seeking any information on account or operations are requested to write to the company at an early date so as to enable the management to keep the information ready.

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9. Members holding shares in more than one folio in identical order of names are requested to write to the registered office of the company enclosing their share certificates to enable us to consolidate their holdings in one folio, to facilitate better service.
10. Members who have not forwarded details of their bank account number and the name and address of the bank are requested again to send the same along with their PAN.
11. Relevant documents referred in accompanying notice and statement are open for inspection by members at the Registered office of the company on all working days, except Sundays, during the business hours upto the date of the Meeting.
12. To support the green initiative, members who have not registered their e-mail addresses so far are requested to register their e-mail address with M/s. Bigshare Services Private Limited for receiving all communication including annual report, notice, circular etc. from the company electronically.
13. Members may also note that the Notice of AGM will be available on the company's website viz. www.advancepetro.com
14. Voting through electronic means
 - (a) Pursuant to Section 108 of the Companies Act, 2013 and Rules 20 of the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of SEBI Listing Regulation and Secretarial Standards on General Meeting (SS2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide its members the facility to exercise their right to vote at the 32nd Annual General Meeting (AGM) by electronic means. The business set out in the notice will be transacted through e-voting Services provided by Central Depository Services (India) Limited (CDSL). The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting').
 - (b) The remote e-voting period begins on September 26 , 2017 at 9.00 a.m. and ends on September 28, 2017 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date which is September 22 , 2017,

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may cast their vote electronically. The voting rights of Shareholders shall be in proportion to their shares in the paid up equity share capital of the Company as on this cut-off date. The e-voting module shall be disabled by CDSL for voting after 5.00 p.m. on September 28, 2017 .

- (c) The facility for voting through electronic voting system or poll or ballot paper shall be made available at the meeting and the members who have not cast their voting through remote e voting shall be able to vote at the meeting.
- (d) The members who have cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again.
- (e) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e. September 22, 2017 only shall be entitled to avail the facility of voting.
- (f) Any person who becomes a member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e. September 22, 2017 , shall follow the instructions for e-voting as mentioned below for FIRST TIME USER. In case of any query shareholders may contact the Registrar & Share Transfer Agent viz M/s. Bigshare Services Private Limited 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai: -400059.
- (g) A person who is not a member of the Company as on the cut-off date i.e. September 22, 2017 , shall treat this notice for information purpose only.
- (h) Instructions for e-voting:
 - (A) In case Members receiving Notice of AGM by email and who wish to vote using the remote e-voting facility
 - (a) The shareholders should log on to the e-voting website www.evotingindia.com.
 - (b) Click on Shareholders.
 - (c) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

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- c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (d) Next enter the Image Verification as displayed and Click on Login.
- (e) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (f) If you are a FIRST TIME USER follow the steps given below:

For Members	Holding shares in Demat Form	Holding Shares in physical Form
User ID	For NSDL: 8 Character DP ID followed by 8 Digits Client ID ID For CDSL: 16 digits beneficiary ID	Folio Number registered with the Company
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). * Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field. * In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.	
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.	
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. * Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (c).	

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- (g) After entering these details appropriately, click on “SUBMIT” tab.
- (h) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (i) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (j) Click on the EVSN for the relevant of Advance Petrochemicals Limited from drop down menu and click on submit.
- (k) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (l) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (m) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (n) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (o) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (p) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

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- (q) Note for Non – Individual Shareholders and Custodians
- (r) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. I Phone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June, 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (B) In case of Members receiving Notice of AGM by post and who wish to vote using the remote e-voting facility:
- Please follow all steps mentioned above, to cast your vote.
- (C) Note for Non-Individual Shareholders and Custodians
- ; Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - ; A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - ; After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - ; The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - ; A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - ; In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
15. Mr. Bipin L. Makwana, Practicing Company Secretary has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

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16. The Scrutinizer shall, after the conclusion of the AGM, first count the votes cast at the meeting and thereafter unlock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company. The Scrutinizer shall, within a period of not later than three (3) days from the conclusion of the AGM, prepare a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, and submit it to the Chairman or any person authorized by him in writing, who shall countersign the same and declare the results of the voting.
17. The Result shall be declared on or after the Annual General Meeting (AGM). The result declared along with the Scrutinizer's Report shall be placed on the Company's website and on the website of CDSL within three (3) days of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges.

Details of Directors seeking appointment / re appointment / revision in term of appointment/ remuneration in ensuing annual general meeting.

Name of Director	Mr. Ashok Goenka	Mr. Shaileshsingh Rajput
DIN	00086925	00176962
Date of Birth	16.04.1955	19.05.1967
Date of appointment	09.09.1985	16.02.2001
Expertise in specific functional area	38 years exp. Chemical and Rubber industry.	28 years exp. in production quality control
Qualification	B.com, LLB	Bsc
No. of Equity Shares held	22010	Nil
List of Outside Company Directorship held	-Advance Multitech Ltd. -Honest Synthetics Pvt. Ltd. -Kashi Welfab Pvt. Ltd.	Advance Multitech Ltd.
Chairman / Member of Committees of Board of Directors of the Company.	Member- Stakeholders Relationship Committee	Member- Stakeholders Relationship Committee
Chairman / Member of Committees of Board of Directors of the Companies in which he/she is director, Audit Committee, Stakeholders Relationship Committee, Nomination & Remuneration Committee.	Member- Stakeholders Relationship Committee	Member - Audit Committee, Nomination and Remuneration Committee, Chairman - Stakeholders Relationship Committee.
Relationship with other Director	Relatives-Aanchal Goenka, Arvind Goenka	-

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By Order of the Board
For, Advance Petrochemicals Ltd

Ashok Goenka
Chairman & Managing Director
DIN 00086925

Registered Office :
36, Kothari Market,
Ahmedabad – 380 022

Place: Ahmedabad
Date: 14/08/2017

BOARD'S REPORT

To

The Members,

Your Directors are pleased to present 32nd Annual Report and the company's audited financial statement for the financial year ended March 31, 2017.

FINANCIAL RESULTS:

The company's financial performance for the year ended March 31, 2017 is summarized below:

The Break-up of Profit is given as follows	31 st March, 2017	31 st March, 2016
Total Revenue	88755994	105385656
Total Expenditure	87213524	103856859
Net Profit Before Taxation	1542470	1528797
Current Tax	(516486)	(311551)
Deferred Tax	(166791)	(524483)
Net Profit After Taxation	692763	692763
Excess/(Short) Provision for Income Tax.	(5367)	22306
Profit for the Period for Appropriation	853826	715069
Earning Per Shares		
Basic	0.95	0.79
Diluted	0.95	0.79

Dividend

In order to conserve the resources, your Directors do not recommend any dividend on equity shares of the Company.

Brief description of the Company's working during the year/State of Company's affairs:

During the year under review, your company managed to achieve consolidated revenue of Rs.8.87 Crores as against Rs. 10.53 Crores which is decreased by 15.77% as compared to last year. On account of cubing of cost of raw materials, the Net profit after tax managed to increase by 19.40% to Rs.8.53 Lacs as compared to Rs.7.15 Lacs during the last year.

The entire net profit after tax of Rs.8.53 is proposed to be retained in the Statement of Profit & Loss in the form of Surplus of the Company.

The final product of the Company is used as raw material in many manufacturing industries like automobile industries, building material industries and has evergreen demand. The Company has continued its effort to tap the export market beside improving the market for its product domestically also and popularizing its use.

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Considering all the factors into consideration, your directors are hopeful to achieve better performance and achieve target turn over in the current year.

There is no change in the nature of business of the Company during the year.

Material Changes and Commitments:

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of this report.

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

Subsidiaries/ Joint Venture/ Associate Companies:

Company has no subsidiary/joint ventures/associate companies. As there are no subsidiaries, associates and joint ventures companies, no consolidated financial statements required to be given.

ISO 9001 CERTIFICATION:

Your Directors have pleasure informing you that the company has ISO-9001 certification from the world renowned institution for its Chemical Division. Your Company is enjoying coveted and prestigious ISO 9001 Status. Company has successfully met all the stringent and rigorous revaluation and surveillance measures of UKAS Quality Management.

Necessary steps are being taken to renew the same in the current year.

Directors' Responsibility Statement:

Your Directors Statement and confirm that:

- i) in the preparation of the annual accounts, the applicable accounting standards had been followed and there are no material departures from the same;
- ii) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of financial year and of the profit and loss of the company for the year ended on that date.
- iii) the directors had taken proper and sufficient care of the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv) the directors had prepared the annual accounts on a going concern basis.
- v) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively.

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- vi) the directors had devised proper systems to ensures compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Related Parties Transactions

There is no significant or material contract or arrangement entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013. Your Directors draw attention of the members to Note VIII to the financial statement which sets out related party disclosures.

Corporate Governance:

Corporate Governance provisions as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, is not applicable to the Company and hence nothing to report thereon.

Corporate Social Responsibilities:

As the Company's net worth, turnover or net profits are below the limit prescribed under section 135 of the Companies Act 2013 and hence CSR is not applicable to your Company.

Risk Management

Your company has Risk Management Framework as approved by the Board of Directors which provides mechanism to identify, evaluate business risk and opportunities. The risk associated with the business of the Company, its root causes are reviewed and steps are taken to mitigate the same. The Audit Committee and Board of Directors also reviews the key risk associated with the business of the Company, the procedure adopted to assess the risk, efficacy and mitigation measures.

Internal Financial Control:

The Company has a good system of internal controls in all spheres of its activity. The internal control system is supplemented by effective internal audit being carried out by an external firm of Chartered Accountants. The Audit committee regularly reviews the findings of the internal auditors and effective steps to implement the suggestion / observation of the Auditors are taken and monitored regularly. In the opinion of the Board, an effective internal control system adequate to the size of the Company exists.

Directors and Key Managerial Personnel:

In accordance with the provisions of the Act and the Articles of Association of the Company, Mr. Ashok Goenka (DIN 00086925) and Mr. Shaileshsingh Rajput (DIN 00176962) will retire by rotation at the ensuing Annual General Meeting and being eligible have offered themselves for re-appointment.

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COMPOSITION OF BOARD OF DIRECTORS AND ITS COMMITTEES:

Composition of Board

The Board of Directors has an optimum combination of Executive and Non-Executive Directors and Independent directors in accordance with the provisions of the Act. The composition of the Board of Directors of the company as on 31st March, 2017 is as under:

Sl. No.	Name	Designation	Executive/ Non Executive
1.	Mr.Ashok Goenka	Chairman & Managing Director	Executive
2.	Mr. Shaileshsingh Rajput	Whole time Director	Executive
3.	Mr. Arvind Goenka	Non Independent	Non Executive
4.	Ms. Aanchal Goenka	Non Independent	Non Executive
5.	Mr. Omprakash Jalan	Independent Director	Non Executive
6.	Mr. Nirish Parikh	Independent Director	Non Executive

8 Board meetings were held during the year in accordance with the provisions of the Act where due quorum were present in each meeting. The Agenda of the board meeting and notes of the agenda are circulated to the directors well in advance. The members of the board discussed each and every item of the agendas freely in detail. Dates of Board Meeting and No. of directors attending meeting are:

Date of meeting	No. of directors present
20/04/2016	6
30/04/2016	5
30/05/2016	5
21/07/2016	5
13/08/2016	5
12/11/2016	5
10/02/2017	5
30/03/2017	6

Audit Committee:

The company has an Audit Committee. The Composition of Committee is as under:

Sl. No.	Name	Designation	Position in Committee
01	Mr. Nirish Parikh	Director	Chairman
02	Mr. Omprakash Jalan	Director	Member
03	Mr. Arvind Goenka	Director	Member

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The composition of committee inter alia meets with the requirement of Section 177 of the Companies Act, 2013

Functions and Powers of Audit Committee :

The Committee shall have discussions with the auditors periodically about internal control systems, the scope of audit including observation of the auditors and review of financial statement before their submission to the Board and discuss any related issue with internal and statutory auditors and the management of the company.

In discharging the function of the Audit Committee, the committee shall have the authority to investigate into any matter in relating to any terms specified in Section 177 or referred to it by the Board.

Responsibility of the Committee :

The Committee may assign any matter of importance nature relating to the accounts, finance, taxation, inspection and investigation from time to time and may require submitting a report to the Board on such matters within the stipulated time.

The committee on any matter relating to financial management including audit report shall submit a report to the Board from time to time.

The Board has accepted all the recommendation made by the Audit Committee.

Nomination and Remuneration Committee:

The Company has Nomination and Remuneration Committee: The Composition of Committee is in accordance with the Companies Act, 2013. Members of the Committee are as under:

Sl. No.	Name	Designation	Position in Committee
01	Mr. Omprakash Jalan	Director	Chairman
02	Mr. Nirish Parikh	Director	Member
03	Mr. Arvind Goenka	Director	Member

The Committee shall have at least the following basic responsibilities:

To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.

To formulate and review criteria that must be followed for determining qualification for determining qualifications, positive attributes and independence of director.

To recommend the Board a policy relating to the remuneration for the directors, key managerial personnel and other employees and to ensure compliance with the remuneration policy set forth by the Company.

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To propose to the Board the members that must form part of the Committee.

To report on the systems and on the amount of the annual remuneration of directors and senior management.

Stakeholders Relationship Committee

The Committee has Investor Grievance Committee as Stakeholders Relationship Committee. The composition of the Committee is in accordance with the Companies Act, 2013. The Composition of the Committee is as under:

Sl. No.	Name	Designation	Position in Committee
01	Arvind Goenka	Director	Member
02	Mr. Shaileshsingh Rajput	Director	Member
03	Ashok Goenka	Director	Member

Basic Responsibilities of the Committee:

Considering and resolving the grievance of shareholders of the Company with respect to transfer of shares, non receipt of annual report etc.

Ensuring expeditious share transfer process in line with the proceedings of the Share Transfer Committee.

Evaluating performance and service standards of the Registrar & Share Transfer Agent of the Company.

Providing guidance and making recommendation to improve service levels for investors.

Details of the Meeting and its attendance are given as under:

	Board Meeting	Audit Committee	Nomination & Remuneration Committee	Stakeholders Relationship Committee
No. of Meetings held	8	4	2	4
Attendance				
Mr. Omprakash Jalan	8	4	2	-
Mr. Nirish J. Parikh	8	4	2	-
Mr. Shaileshsingh Rajput	8	-	-	4
Mr. Ashok Goenka	8	-	-	4
Mr. Arvind Goenka	8	4	2	4
Ms. Aanchal Goenka	2	-	-	-

BOARD EVALUATION:

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out

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an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and Stakeholders Relationship Committee.

Various aspects of the Board's functioning were evaluated such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

Declaration by Independent Directors:

The Independent directors have submitted their disclosure to the Board that they fulfill all the requirements as to qualify for their appointment as an Independent Director under the provisions of the Companies Act, 2013 and under the Listing Agreement with the Stock Exchanges.

Remuneration to Directors:

The remuneration paid to Directors, Non Executive Directors and Independent Directors are disclosed in the Extract to the Annual Return i.e. MGT – 9 as Annexure A to the Board Report.

Vigil Mechanism

Company has vigil mechanism in force to deal with instances of fraud and mismanagement if any. The mechanism ensures that strict confidentiality is maintained whilst dealing with the concern and also that no discrimination will be meted to any person for a genuinely raised concern. The Chairman of the Audit Committee may also be contacted by employees to report any suspected or concerned incident of fraud / misconduct.

The detail of the Policy has been posted on the website of the Company.

Employee Stock Option etc:

During the year there are no issue of equity shares with differential rights, no issue of sweat equity shares, no issue of employee stock options and no provision of money by company for purchase of its own shares by employees or by trustees for the benefit of the employees, the details required to be given under various rules issued under the Companies Act 2013 is NIL.

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Secretarial Auditor:

The Board has appointed Mr. Bipin L. Makwana, Practicing Company Secretary to conduct Secretarial Audit for the financial year 2016-2017. The secretarial Audit Report for the financial year March 31, 2017 is annexed herewith as Annexure B to the Report. With respect to the observation of the Secretarial Auditor, the Board replies hereunder:-

1. The company has not appointed a member of the Institute of Company Secretaries of India as Company Secretary and as Compliance officer of the company:-

The Company is in process of appointing a qualified Company Secretary. In absence of Company Secretary in the Company, the Company has appointed a Chairman & Mg. Director as the Compliance officer of the Company.

2. Towards the SEBI Circular on 100% of promoter holding in demat form, the company has just 6.70% of promoter's holding in demat form.

Your directors submit that some of the promoters are in active promoter and one or two are death case. For others, promoters are in touch with the R & T of the Company for issue of consolidated /duplicate share certificate. The shares of the company are being dematted on the receipt of the consolidated Share Certificate basis and the same is under process.

3. The company has given and squared up loans to parties covered in the register maintained under Section 189 of the Companies Act, 2013.

Loan amount have been repaid by the concerned parties to the Company and as such there is no such amount outstanding as on date.

4. The Company has not updated its website and in one or two cases, there is small delay in submission of limited review report to stock exchange.

The Company is taking steps to update its website and it will be completed soon. The delay in submission of limited review report to the stock exchange was on account of change in system of submission of result and limited review report to the stock exchange.

Auditors and Auditors Report:

Pursuant to Section 139 of the Companies Act, 2013 and Rules made thereunder, it is mandatory for the Company to rotate the current statutory auditors on completion of a maximum term permitted under the said Section.

Accordingly on the proposal of the Audit Committee of the company, the Board has recommended the appointment of M/s. Devpura Navlakha & Co., Chartered Accountants, (Firm Registration Number 121975W) as Statutory Auditors of the Company. M/s. Devpura Navlakha & Co will hold office for a period of 5 (five) consecutive years from the conclusion of 32nd Annual General Meeting scheduled

ADVANCE PETROCHEMICALS LTD.

to be held in the year 2017 till the conclusion of 37th Annual General Meeting to held in the year 2022, subject to the approval of Shareholders of the Company. With respect to the observation of the Statutory Auditor, the Board replies hereunder:-

1. Discrepancies were not pointed out on physical verification of the inventory as compared to book records as they have not been properly maintained in the books of account. Management has not maintained Quantity and respective value records of inventory.

Your directors submit that company has maintained proper records of inventory item on FIFO basis but the auditors were not satisfied with this.

2. The company has given and squared up loans to one party covered in the register maintained under Section 189 of the Companies Act, 2013.

Loan amount were forthwith repaid by the concerned parties to the Company and as such there is no such amount outstanding as on date.

Particulars of Loans, Investment, Guarantee and Securities:

Particulars of Loans, investment, Guarantee and Securities are given in the financial statement (Please refer to Note 2.2, 2.3 and 2.7 to financial statement).

Conservation of energy, technology absorptions and foreign exchange earnings and outgo are as follows:

Our industry is not heavy consumer of energy, further during the year under review the company made efforts to conserve energy through reduction consumption, the company will continue to endeavor of conserve energy and use it more efficiently. Particulars of Energy conservation and its use is given below:

Particulars	2016-2017	2015-2016
Electricity Purchase- Unit	285813	286123
Total Amount (Rs.)	2366595	2649437
Rate per unit (Rs.)	8.28	9.26

Company is having it's own research & development facilities. The process of development is a continuous process resulting in development of new & import substitute products. Company is taking all appropriate measures to absolve the technology in its area of operation.

Particulars of Foreign exchange earnings and outgo is given as under:

Particulars	2016-2017
Foreign Exchange Earnings (Rs.)	2490280/-
Foreign Exchange Outgo (Rs.)	1443200/-

ADVANCE PETROCHEMICALS LTD.

Extract of Annual Return:

Extract of the Annual Return of the Company in MGT-9 is enclosed herewith as an annexure A to this Report.

Particulars of Employees and Other Related disclosures:

The Company has no employee drawing the remuneration of Rs.5 Lacs p.m or Rs.60 Lacs p.a.

However the information required pursuant to Section 197 read with Rule, 5 (1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, is provided in Annexure C to the report.

Deposits:

Your Company has not accepted any deposits which fall under Chapter V and Section 73 to Section 76 of the Companies Act, 2013.

General Shareholder Information

32 nd Annual General Meeting	
Venue	Plot No,167, Pirana Approach Village Piplej, Ahmedabad: 382405
Date	September 29, 2017
Time	12.30 p.m
Book Closure	From 22/09/2017 to 29/09/2017 (both days inclusive)

Listing of Shares:

Your Company is currently listed with BSE Ltd. The company has paid necessary listing fees for the year 2017-2018.

ISIN of the Company : INE334N01018

Registrar and Share Transfer Agents : (R & T) & Share Transfer System

The company has appointed M/s. Bigshare Services Private Limited 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai -400059. as Registrar and Transfer Agents for electronics shares. The average time taken in transfer of shares is 15 days provided documents are correct and valid in all respect.. The depositories directly transfer the dematerialized shares to the beneficiaries.

Acknowledgment:

Your Directors wish to place on record their deep sense of gratitude to Banks for their continued support and cooperation. Our sincere thanks are also due to our

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esteemed customers, suppliers and finally to employees of the Company for their untiring efforts and commitment to their duties.

By Order of the Board
For, Advance Petrochemicals Ltd

Ashok Goenka
Chairman & Managing Director
DIN 00086925

Registered Office :
36, Kothari Market,
Ahmedabad – 380 022
Place: Ahmedabad
Date: 29/05/2017

ADVANCE PETROCHEMICALS LTD.

Annexure A to Board Report –

Form No. MGT -9

Extract of Annual Return –

as on Financial Year ended 31st March, 2017.

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS :

i) CIN	L23200GJ1985PLC008013
ii) Registration Date	August 9, 1985
iii) Name of the Company	Advance Petrochemicals Limited
iv) Category / sub Category of the Company	Company Limited by shares / Indian Non-Government Company
v) Address of Regd. Office and Contact details	Registered Address :- 36, Kothari Market, Kankaria Road, Ahmedabad: 380022. Tel: 079 25454795 Fax 079 25710027 Email: info@advancepetro.com website: www.advancepetro.com
vi) Whether listed Company	Yes
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. Bigshare Services Private Limited 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (E), Mumbai - 400059 Tel No : +91 2262638200 Fax: + 91 2262638299 Email Id : info@bigshareonline.com Website : www.bigshareonline.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY :

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1.	Butyl Cellosolve	3009	7.38
2.	Methyl Carbitol	3009	15.24
3.	Methyl Glycol	3009	18.23
4.	Brake Fluid	3098	36.92

ADVANCE PETROCHEMICALS LTD.

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :

Sl. No.	Name and Address of the Company.	CIN / GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
	NIL	NIL	NIL	NIL	NIL

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A) Promoter and Promoter Group ²									
(1) Indian									
(a) Individuals / Hindu Undivided Family	30200	85100	115300	12.81	30200	85100	115300	12.81	-
(b) Central Government / State Government(s)	-	-	-	-	-	-	-	-	-
(c) Bodies Corporate	0	335550	335550	37.28	0	335550	335550	37.28	-
(d) Financial Institutions / Banks	-	-	-	-	-	-	-	-	-
(e) Any Other (specify)	-	-	-	-	-	-	-	-	-
Sub-Total (A) (1)	30200	420650	450850	50.09	30200	420650	450850	50.09	-
(2) Foreign									
(a) Non-Resident Individuals /	-	-	-	-	-	-	-	-	-
(b) Other- Individuals	-	-	-	-	-	-	-	-	-
(c) Bodies Corporate	-	-	-	-	-	-	-	-	-
(d) Banks/ FI	-	-	-	-	-	-	-	-	-
(e) Any other	-	-	-	-	-	-	-	-	-
Sub-Total (A) (2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	30200	420650	450850	50.09	30200	420650	450850	50.09	-
(B) Public Shareholding									
(1) Institutions									
(a) Mutual Funds	-	-	-	-	-	-	-	-	-
(b) Bank/ Financial Institutions	-	-	-	-	-	-	-	-	-
(c) Central Government	-	-	-	-	-	-	-	-	-
(d) State Government(s)	-	-	-	-	-	-	-	-	-
(e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f) Insurance Companies	-	-	-	-	-	-	-	-	-
(g) Foreign Institutional Investors	-	-	-	-	-	-	-	-	-

ADVANCE PETROCHEMICALS LTD.

(h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
(i) Other (specify)	-	-	-	-	-	-	-	-	-
Sub-Total (B)(1)	-	-	-	-	-	-	-	-	-
(2) Non-institutions									
(a) Bodies Corporate	200	4400	4600	0.51	0	4400	4400	0.48	(0.03)
(b) Individual	-	-	-	-	-	-	-	-	-
i. Individual shareholders holding nominal share capital upto Rs.2 lakh.	18450	426100	444550	49.39	25950	418800	444750	49.42	0.03
ii. Individual shareholders holding nominal share capital in excess of Rs.2 lakh.	-	-	-	-	-	-	-	-	-
(c) Others	-	-	-	-	-	-	-	-	-
i) Hindu undivided Families	-	-	-	-	-	-	-	-	-
ii) Non Resident Individual	-	-	-	-	-	-	-	-	-
Sub-Total (B) (2)	18650	430500	449150	49.91	25950	423200	449150	49.91	-
Total Public Shareholding (B)= (B)(1)+(B)(2)	18650	430500	449150	49.91	25950	423200	449150	49.91	-
TOTAL (A)+(B)	48850	851150	900000	100	56150	843850	900000	100	-
(C) Shares held by Custodians for GDRs/ADRs	-	-	-	-	-	-	-	-	-
Promoter & Promoter Group	-	-	-	-	-	-	-	-	-
Public	-	-	-	-	-	-	-	-	-
Grand Total (A)+(B)+(C)	48850	851150	900000	100	56150	843850	900000	100	-

ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year in Share			% Change in share holding During the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Advance Multitech Ltd.	175050	19.45	0	175050	19.45	0	-
2	Honest Synthetic Pvt.Ltd.	157500	17.50	0	157500	17.50	0	-
3	Sheela A Goenka	23440	2.60	0	23440	2.60	0	-
4	Ashokkumar Vishwanath Goenka	22010	2.45	0	22010	2.45	0	-
5	Pulkit Ashok Goenka	50800	5.64	0	50800	5.64	0	-
6	Arvind Kumar V Goenka	10810	1.20	0	10810	1.20	0	-
7	Sidharth Agencies Ltd.	3000	0.33	0	3000	0.33	0	-
8	Uma Arvind Goenka	3000	0.33	0	3000	0.33	0	-

ADVANCE PETROCHEMICALS LTD.

9	Vandana Goenka	210	0.02	0	210	0.02	0	-
10	Keshav Virchand Nagar	10	0.00	0	10	0.00	0	-
11	Vishwanath Nandlal Goenka	5010	0.56	0	5010	0.56	0	-
12	Rajkumar Bajranglal Seksaria	10	0.00	0	10	0.00	0	-
	TOTAL	450850	50.09	0	450850	50.09	0	-

iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
01	At the beginning of the year	450850	50.09	450850	50.09
02	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	No change during the year	No change during the year	No change during the year	No change during the year
03	At the End of the year	450850	50.09	450850	50.09

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) (as on 31.03.2017) :

Sl. No.	Name of the Shareholder	For Each of the Top Ten Shareholders of the Company	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Surekha M Shah	At the beginning of the year	9000	1.00	9000	1.00
		Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No change during the year	No change during the year	No change during the year	No change during the year
		At the End of the year	9000	1.00	9000	1.00
2.	Bhupendra A Shah	At the beginning of the year	9000	1.00	9000	1.00
		Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No change during the year	No change during the year	No change during the year	No change during the year
		At the End of the year	9000	1.00	9000	1.00

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3.	Nili M Shah	At the beginning of the year	6000	0.67	6000	0.67
		Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No change during the year	No change during the year	No change during the year	No change during the year
		At the End of the year	6000	0.67	6000	0.67
4.	Indra Kumar Bagri	At the beginning of the year	5200	0.57	5200	0.57
		Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No change during the year	No change during the year	No change during the year	No change during the year
		At the End of the year	5200	0.57	5200	0.57
5.	Rakesh Ranka	At the beginning of the year	5050	0.56	5050	0.56
		Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No change during the year	No change during the year	No change during the year	No change during the year
		At the End of the year	5050	0.56	5050	0.56

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6.	MahendraA Shah	At the beginning of the year	5000	0.55	5000	0.55
		Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No change during the year	No change during the year	No change during the year	No change during the year
		At the End of the year	5000	0.55	5000	0.55
7.	Kalpesh K Chawala	At the beginning of the year	5000	0.55	5000	0.55
		Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No change during the year	No change during the year	No change during the year	No change during the year
		At the End of the year	5000	0.55	5000	0.55
8.	Lalit Jain	At the beginning of the year	5000	0.55	5000	0.55
		Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No change during the year	No change during the year	No change during the year	No change during the year
		At the End of the year	5000	0.55	5000	0.55
9.	Hemang Dinesh Jangla	At the beginning of the year	5000	0.55	5000	0.55
		Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No change during the year	No change during the year	No change during the year	No change during the year
		At the End of the year	5000	0.55	5000	0.55

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10.	Rajesh Ranka	At the beginning of the year	4950	0.55	4950	0.55
		Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No change during the year	No change during the year	No change during the year	No change during the year
		At the End of the year	4950	0.55	4950	0.55

iv) Shareholding of Directors and Key Managerial Personnel :

Sl. No.	Name of the Shareholder	For Each of the Top Ten Shareholders of the Company	Shareholding at the beginning of the year		Cumulative during the year	Shareholding
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
		—				
1.	Mr. Ashok Goenka (Managing Director)	At the beginning of the year	22010	2.45	22010	2.45
		Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No change during the year	No change during the year	No change during the year	No change during the year
		At the End of the year	22010	2.45	22010	2.45
2.	Mr. Arvind Goenka (Director)	At the beginning of the year	10810	1.20	10810	1.20
		Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No change during the year	No change during the year	No change during the year	No change during the year
		At the End of the year	10810	1.20	10810	1.20

ADVANCE PETROCHEMICALS LTD.

3.	Mr. Shaileshsingh Rajput (Director)	At the beginning of the year	0	0	0	0
		Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No change during the year	No change during the year	No change during the year	No change during the year
		At the End of the year	0	0	0	0
4	Mr. Omprakash Jalan (Director)	At the beginning of the year	0	0	0	0
		Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No change during the year	No change during the year	No change during the year	No change during the year
		At the End of the year	0	0	0	0
5.	Mr. Nirish Parikh (Director)	At the beginning of the year	0	0	0	0
		Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No change during the year	No change during the year	No change during the year	No change during the year
		At the End of the year	0	0	0	0
6.	Ms. Aanchal Goenka (Director)	At the beginning of the year	0	0	0	0
		Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No change during the year	No change during the year	No change during the year	No change during the year
		At the End of the year	0	0	0	0

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7	Mr. Natraj Arli (Chief Financial Officer)	At the beginning of the year	0	0	0	0
		Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No change during the year	No change during the year	No change during the year	No change during the year
		At the End of the year	0	0	0	0

ii) INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	36502652	13438185	—	49940837
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	—	—	—	—
Total (i+ii+iii)	36502652	13438185	—	49940837
Change in Indebtedness during the financial year				
Addition	—	2331574	—	2331574
Reduction	5908149	16422	—	5924571
Net Change	(5908149)	2315152	—	(3592997)
Indebtedness at the end of the financial year				
i) Principal Amount	30594503	15753337	—	46347840
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	—	—	—	—
Total (i+ii+iii)	30594503	15753337	—	46347840

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vii) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

(Amount in Rs.)

Sl. No.	Particulars of Remuneration	Managing Director	Whole time Director	Total Amount
		Mr. Ashok Goenka	Mr. Shaileshsingh Rajput	
1	Gross salary			
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	900000	480000	1380000
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	–	–	–
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	–	–	–
2	Stock Option	–	–	–
3	Sweat Equity	–	–	–
4	Commission	–	–	–
	-as % of Profit	–	–	–
	-Other (Specify)	–	–	–
5	Others Please specify	–	–	–
	Total (A)	900000	480000	1380000
	Ceiling as per the Act	Within the limit of Schedule V to the Companies Act, 2013	Within the limit of Schedule V to the Companies Act, 2013	Within the limit of Schedule V to the Companies Act, 2013

ADVANCE PETROCHEMICALS LTD.

B. Remuneration to other directors :

(Amount in Rs.)

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. Omprakash Jalan	Mr. Nirish J. Parikh	Mr. Arvind Goenka	Ms. Aanchal Goenka	
1.	Independent Directors	0	0	0	0	0
	For attending board / committee meetings	0	0	0	0	0
	Commission	0	0	0	0	0
	Other, please specify	0	0	0	0	0
	Total (1)	0	0	0	0	0
2.	Other Non-Executive Directors	0	0	0	0	0
	For attending board/ committee meetings	0	0	0	0	0
	Commission	0	0	0	0	0
	Other, please specify	0	0	0	0	0
	Total (2)	0	0	0	0	0
	Total (B)=(1+2)	0	0	0	0	0
	Total Managerial Remuneration	0	0	0	0	0

C. Remuneration To Key Managerial Personnel Other Than MD/Manager/WTD

(Amount in Rs.)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel	
		Mr. Natraj Arli – CFO	Total
1	Gross salary		
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	243600	243600
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	–	–
(c)	Profits in lieu of salary under section 17(3) SIncome-tax Act, 1961	–	–
2	Stock Option	–	–
3	Sweat Equity	–	–

ADVANCE PETROCHEMICALS LTD.

4	Commission	-	-
	- as % of Profit	-	-
	- Other (Specify)	-	-
5	Others Please specify	-	-
	Total (C)	243600	243600

iv) PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority RD / NCLT / COURT	Appeal made, if any (give Details)
A. COMPANY	NIL	NIL	NIL	NIL	NIL
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS	NIL	NIL	NIL	NIL	NIL
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT	NIL	NIL	NIL	NIL	NIL
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

For, Advance Petrochemicals Ltd

Ashok Goenka
Chairman & Managing Director
DIN 00086925

Place: Ahmedabad

Date: 29/05/2017

ADVANCE PETROCHEMICALS LTD.

Annexure B to the Board Report

SECRETARIAL AUDIT REPORT

For the Financial year ended 31st March, 2017

[Pursuant to Section 204 (1) of the Companies Act, 2013
and rule No. 9 of the Companies

(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

Advance Petrochemicals Limited

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to corporate practices by ADVANCE PETROCHEMICALS LIMITED (hereinafter called 'the Company') for the audit period covering the financial year ended on 31st March, 2017. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit; I hereby report that in my opinion, the Company has, during the audit period complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2017 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the regulations and bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of overseas direct investment and external commercial borrowings;

ADVANCE PETROCHEMICALS LTD.

- (v) The following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :
- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Share Based Employee Benefits), Regulation, 2014;
 - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable during audit period) ;
 - (e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not applicable during audit period) ;
 - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable during audit period) ;
 - (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable during audit period) ;
 - (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable during audit period) ;
- (vi) I further report that with respect to the compliance of below mentioned laws, I have relied on compliance system prevailing in the Company and based on the representation received from the Company.
1. Indian Boiler Act, 1923 and rules made thereunder.
 2. Explosive Act, 1984 and rules made thereunder.
 3. Manufacture, Storage and Import of Hazardous Chemicals Rules, 1989
 4. Sexual Harassment of women at Work Place (Prevention, Prohibition and Redressal), Act, 2013.

ADVANCE PETROCHEMICALS LTD.

5. Applicable Labour Laws and rules made thereunder.
6. Applicable Environmental Laws and rules made thereunder.

I have also examined compliance with the applicable clauses of the following;

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India;
- (ii) SEBI (Listing Obligation and Disclosure Requirements), Regulation, 2015.

I report that during the year under audit, the Company has complied with the provisions of the Act, rules, regulations, guidelines etc. as mentioned above except to the extent mentioned below;

1. The Company has not appointed a Member of the Institute of Company Secretaries of India as Company Secretary and as Compliance officer of the Company.
2. Towards the SEBI circular on 100% of promoters holding in demat form, the company has only 6.70% of promoter's holding in demat form.
3. The company has given and squared up loans to one party covered in the register maintained under Section 189 of the Companies Act, 2013.
4. The Company has not updated its website and in one or two cases, there is small delay in submission of limited review report to stock exchange.

I further report that based on the information provided by the Company, its officers there exists adequate systems, process and control commensurate with the size and operation of the Company to monitor and ensure compliance of other laws. I have not reviewed the compliance by the company of applicable financial laws like direct and indirect tax laws as the same has been reviewed and compliance thereof reported by the other designated professionals.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non- Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

ADVANCE PETROCHEMICALS LTD.

Decisions at the meetings of the Board of Directors of the Company were carried through on the basis of majority. There were no dissenting views by any member of the Board of Directors during the period under review.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines referred to above.

I further report that during the audit period there were no specific event/action having a major bearing on the Company' s affairs in pursuance to the above referred laws, rules, regulations, guidelines, etc referred to above more specifically related to

- (i) Public / Right / Preferential Issue of Shares/ debentures/ Sweat equity etc.
- (ii) Redemption/ Buy back of securities.
- (iii) Major decisions taken by the Members in pursuance to Section 180 of the Act.
- (iv) Foreign technical collaboration.

Bipin L. Makwana,
Company Secretary in Practice
ACS 15650/ C. P. No.5265

Place: Ahmedabad

Date: 29/05/2017

ADVANCE PETROCHEMICALS LTD.

Annexure I to the Secretarial Audit Report for the Financial Year ended 31st
March, 2017

To,

The Members,

Advance Petrochemicals Limited

My Secretarial Audit Report of even date is to be read along with this letter

1. Maintenance of Secretarial records and compliance of the provisions of corporate and other applicable laws, rules, regulations, standards are responsibility of management of the Company. My responsibility is to express an opinion on these Secretarial records and compliance based on my audit.
2. I have followed audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the content of the Secretarial Records. The verification was done on the test basis to ensure that correct facts are reflected in the secretarial records. I believe that the processes and practices, I followed provide reasonable basis for my opinion.
3. I have not verified correctness and appropriateness of the financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Bipin L. Makwana,
Company Secretary in Practice
ACS 15650/ C. P. No.5265

Place: Ahmedabad

Date: 29/05/2017

ADVANCE PETROCHEMICALS LTD.

Annexure C to Board Report – Disclosure on Managerial Remuneration

Details of remuneration as required under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided below:

Sl. No.	Particulars	Status		
a	No of permanent employees on the rolls of the Company	35		
b	The percentage increase in the median remuneration of employees in Current Financial Year.	7.17%		
c	Relationship between the average increase in remuneration and the Company's performance	During the year 2016-2017 total revenue decreased by 15.77% from Rs.10.53 Crs. to Rs. 8.87 Crs. Profit After tax increased by 19.40% from Rs.7.15Lacs to Rs.8.53 Lacs. Increase in remuneration is related to the performance of the Company with one year lag and also based on economic factor mainly on account of inflation, performance rise.		
d	Average percentile increase already made in salaries of employees other than managerial personnel in last financial year and its comparison with the percentile increase in managerial remuneration.	Average increase in the remuneration for Key Managerial Personnel and other employee(s) is 15%. There is no exceptional increase in remuneration of Key Managerial Personnel.		
e	Percentage increase in the remuneration of each director and key managerial personnel in the Current Financial Year.	Names	Designation	Increase in Remuneration (%)
Mr. Ashok Goenka		Mg. Director	55.00	
Mr. Shailesh-singh Rajput		Whole time Director	9.00	
Mr. Natraj Arli		CFO	8.00	
Further details are given in MGT-9.				
f	Remuneration of each director to the median employees' remuneration (times)	Name	Designation	Remuneration of Directors' to median employees' remuneration (times)
Mr. Ashok Goenka		Mg. Director	8.13	
Mr. Shailesh-singh Rajput		Whole time Director	4.3	
Mr. Natraj Arli		CFO	1.88	

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		(Rs. In Lacs)			
g	Comparison of remuneration of Key Managerial Personnel against the performance of the Company.		2015-2016	2016-2017	% increase (decrease)
		Sales & other revenues	1053.85	887.55	(15.77)
		PAT	7.15	8.53	19.40
		Remuneration	12.10	15.84	3.74
h	Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year	During the year Market Capitalization increased to Rs. 23265000 from Rs. 20340000 and PE ratio increased to 27.21 from 23.78 as compared to the previous year.			
i	Key parameters for any variable component of remuneration availed by the directors	No remuneration is paid to Non Executive Non Independent/ Independent Directors. The component involved in remuneration of executive director / KMP are Salary, Perquisites and annual bonus if any. The Company does not have Stock Option Scheme.			
j	Employees (who are not directors) who received remuneration in excess of the highest paid director of the Company during the year.	There are no employees (who are not directors) who received remuneration in excess of the highest paid director of the Company during the year.			
k	Affirmation that the remuneration is as per the remuneration policy of the company	It is hereby affirmed that the remuneration paid is as per the remuneration policy of the Company for directors, KMP and other employee (s) of the company.			

Details of remuneration as required under Rule 5 (2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided below:

Nil as there is no employee drawing the remuneration in excess of limits prescribed under the aforesaid Rules.

INDEPENDENT AUDITORS' REPORT

To,

The Members

ADVANCE PETROCHEMICALS LIMITED

1 Report on the Financial Statements

We have audited the accompanying standalone financial statements of Advance Petrochemicals Limited , which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and the cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information.

2. Management's Responsibility for the Standalone Financial Statements :

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.

3 Auditor's Responsibility :

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing

ADVANCE PETROCHEMICALS LTD.

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.

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

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

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

4 Basis for qualified opinion :

The Company has not provided for the post employment and other long term employee benefits in the financial as the Company recognizes the post employment and other long term employee benefits as an expense in the profit & loss account in the year of payment which is in line with the Company policy mentioned in Note 9 to financial statement. However, the Company is required to provide for the post employment and other long term employee benefits on actuarial valuation basis as per requirement of Accounting standard 15 - "Employee Benefits". In absence of the provision for post employment and other long term employee benefits in the financial, we are unable to quantities the impact of such provision on financial position and result of the Company.

5 Opinion :

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter deccribed in the basis for qualified opinion paragraph aboe the aforesaid standalone financial statements give the

ADVANCE PETROCHEMICALS LTD.

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:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2017
- (b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

6 Report on Other Legal and Regulatory Requirements

- (i) As required by the Companies (Auditor's Report) Order, 2017 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 the Order.
- (ii) As required by section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) The Balance Sheet and the Statement of Profit and Loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;

ADVANCE PETROCHEMICALS LTD.

- (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 B”
- (g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- I. The Company does not have any pending litigations which would impact its financial position.
 - II. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - III. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - IV. The Company has provided requisite disclosures in the financial statements as to holding as well as dealing in specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management - Refer Note XIII (Notes to Accounts)

Place : AHMEDABAD

Date : 29/05/2017

PIPARA & CO.

Chartered Accountants
(F.R.N.: 107929W)

GYAN PIPARA

Partner

M.No. 034289

ADVANCE PETROCHEMICALS LTD.

Annexure A' to the independent Auditor's Report of ADVANCE PETROCHEMICALS LIMITED

Referred to in Independent Auditor's Report to the members of the Company on the Standalone financial Statements for the Year ended March 31, 2017 we report that :

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The Fixed Assets have been physically verified by the management in a phased manner designed to cover all the items over the period of three years, which are reasonable having regard to size of the company and nature of its business.
- c) According to Informations and Explanations given by Management and on the basis of examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- 2) (a) The management has conducted the physical verification of inventory at reasonable intervals.
- (b) Dcrepancies were not pointed out on physical verification of the inventory as compared to book records as they have not been properly maintained in the books of account with regard to book records management has not maintained quantity and respective value's records for inventory. Hence wee can't comment upon the correctness of position of Inventory. With respect to valuation of Inventory we have relied on management representation.
- 3) According to Informations and Explanations given to us and on the basis of examination of the records of the Company, the Company has granted loans to one party covered in the registered maintained under section 189 of the CompaniesAct, 2013.
 - l) Advance Multitech Ltd - Loan Given and Squared up Rs. 9,74,949/-
 - a) In our opinion, the rate of Interest and other terms and conditions on which the loans had been granted to the bodies corporate listed in the register maintained under section 189 of the Act were not. Prima facie, prejudicial to the interest of the company.

ADVANCE PETROCHEMICALS LTD.

- b) In the case of the loans granted to two parties listed in the register maintained under section 189 of the Act, the borrowers have been regular in the payment of the principal and Interest as stipulated.
 - c) There are no Overdue amounts in respect of the loan granted to parties listed in the register maintained under Section 189 of the Act, however they were squared up during the year.
- 4) In our opinion and according to the informations and explanations given by Management, the company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of Loans, Investments, Guarantees and Security.
- 5) The Company has not accepted any deposit 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 Deposits) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) Based upon the audit procedures performed and the informations and explanations given by the management, the Company has not maintained the Cost Records in respect of manufacturing activities of the company are 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. Accordingly, the provisions of clauses 3(vi) of the order are not applicable to the Company and hence not commented upon.
- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of accounts, 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 and, Cess and any other material statutory dues with the appropriate authorities. According to Informations and explanations given by management, no undisputed amounts payable in respect of the above were in arrears as at March, 2016 for a period of more than Six Months from the date on when they become payable.
- (b) According to the Informations and Explanations given by Management, there are no dues of income tax, Sales Tax, Service Tax, Duty of Customs,

ADVANCE PETROCHEMICALS LTD.

Duty of Excise, Value Added Tax, outstanding on account of any dispute.

- 8) In our opinion and according to the informations and explanations given by Management, the company has not defaulted in repayment of dues of banks, financial institutions or from the government and has not issued any debentures
- 9) Based upon the audit procedures performed and the informations and explanations given by the management, the company has not maintained, the company has not raised money 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 informations 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 informations and explanations given by the management, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with schedule V of the Companies Act.
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the order are not applicable to the Company.
- 13) According to information and explanations given to us and on the basis of our examination of the books of accounts, and records, all transactions with the related parties are in compliance with sections 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) According to information and explanations given by management and on the basis of our examination of the books of accounts, and records, 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.
- 15) Based upon the audit procedures performed and the informations and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with it. Accordingly,

ADVANCE PETROCHEMICALS LTD.

the provisions of clause 3(xv) of the Order are not applicable to the Company and hence not commented upon.

- 16) According to information and explanations given by management and on the basis of our examination of the books of accounts, and records, 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.

For, PIPARA & CO.
Chartered Accountants
(F.R.N.: 107929W)

Place : AHMEDABAD
Date : 29.05.2017

GYAN PIPARA
Partner
M.No. 034289

ADVANCE PETROCHEMICALS LTD.

Annexure B to the Independent Auditor's Report of even date on the Standalone Financial Statements of ADVANCE PETROCHEMICALS LIMITED

Report on Internal Financial Controls under Clause (i) of Sub Section 3 of Section 143 of Companies Act, 2013

We have Audited the Internal Financial Controls over Financial Reporting of Advance Petrochemicals Limited as on 31st March 2017 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on Internal Financial Control over financial reporting criteria established by the company considering the essential components of internal controls stated in the Guidance note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI. These responsibilities include the design, Implementation and Maintenance of adequate 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 timely preparation of reliable financial information, as required under Companies Act, 2013.

Auditor's 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 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 and both issued by ICAI. Those standards and Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate 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 control system over financial reporting and their operating

ADVANCE PETROCHEMICALS LTD.

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 and operating effectiveness of internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatements 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 of our audit opinion on the Company's Internal financial Control System over Financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial controls over financial reporting is process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements of external purposes in accordance with generally accepted accounting principles. A Company's Internal Financial Controls over Financial Reporting includes those policies and procedures that (1) pertain to maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets 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 expenditure of the company are being made only in accordance with authorizations 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 of 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 Controls over Financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

ADVANCE PETROCHEMICALS LTD.

Opinion

In our opinion, the company has maintained an adequate internal financial controls system over financial reporting were operating effectively as at 31st March 2017 based on Internal Financial Control over financial reporting criteria established by the company considering the essential components of internal controls stated in the Guidance note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

For, PIPARA & CO.
Chartered Accountants
(F.R.N.: 107929W)

Place : AHMEDABAD
Date : 29.05.2017

GYAN PIPARA
Partner
M.No. 034289

ADVANCE PETROCHEMICALS LTD.

BALANCE SHEET AS AT 31ST MARCH, 2017

CIN : L23200GJ1985PLC008013

Particulars	Note No.	Figures as at the end of current reporting period ended 31.03.2017 Rs.	Figures as at the end of previous reporting period ended 31.03.2016 Rs.
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	1.1	9,000,000	9,000,000
(b) Reserves and surplus	1.2	83,57,600	75,03,773
2 Non-current liabilities			
(a) Long-term borrowings	1.3	16,325,418	15,309,017
(b) Deferred tax liabilities (Net)		25,42,813	2,376,022
3 Current liabilities			
(a) Short-term borrowings	1.4	30,022,421	34,631,820
(b) Trade payables	1.5	95,11,881	66,72,815
(c) Other current liabilities	1.6	96,55,103	81,77,937
(d) Short-term provisions	1.7	516,486	311,551
TOTAL		8,59,31,722	8,39,82,936
II. ASSETS			
Non-current assets			
1 (a) Fixed assets			
(i) Tangible assets	2.1	17,859,245	19,123,662
(ii) Capital Work in Progress		2,538,999	-
(b) Non-current investments	2.2	3,596,205	3,596,205
(c) Long-term loans and advances	2.3	3,424,646	3,441,689
2 Current assets			
(a) Inventories	2.4	39,734,285	26,720,343
(b) Trade receivables	2.5	12,632,410	23,036,374
(c) Cash and Bank Balance	2.6	1,572,058	21,99,264
(d) Short-term loans and advances	2.7	30,58,823	2,940,953
(e) Other current assets	2.8	15,15,051	2,924,445
TOTAL		8,59,31,722	8,39,82,936

Significant Accounting Policies

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The notes form an an integral part of these Financial Statements.

As Per Our Report of Even Date
For PIPARA & CO,
CHARTERED ACCOUNTANTS
(F. R. N. 107929W)

GYAN PIPARA

PARTNER

M.No. 034289

PLACE : AHMEDABAD.

DATED : 29.05.2017

For ADVANCE PETROCHEMICALS LTD.

ASHOK GOENKA

DIN : 00086925

ARVIND GONEKA

DIN : 00093200

CHAIRMAN &

MANAGING DIRECTOR

DIRECTOR

PLACE : AHMEDABAD.

DATED : 29.05.2017

ADVANCE PETROCHEMICALS LTD.

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2017

CIN : L23200GJ1985PLC008013

Particulars	Refer Note No.	Figures for the current reporting ended 31.03.2017 Rs.	Figures for the previous reporting period ended 31.03.2016 Rs.
I. Revenue from operations	3.1	10,52,97,886	11,85,70,866
Less : Excise Duty		(1,68,22,463)	(1,34,65,090)
		8,84,75,423	10,51,05,776
II. Other income	3.2	280,571	279,880
III. Total Revenue (I + II)		8,87,55,994	10,53,85,656
IV. Expenses:			
Cost of materials consumed	4.1	65,592,598	7,19,57,693
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	4.2	(12,104,072)	(265,511)
Manufacturing & Operating Cost	4.3	66,30,418	73,92,388
Employee benefits expense	4.4	7,650,737	66,96,454
Finance costs	4.5	5,776,593	5,238,248
Depreciation and amortization expense	2.1	1,794,614	1,856,997
Other expenses	4.6	11,872,636	1,09,80,590
Total expenses		87,213,524	10,38,56,859
V. Profit before tax (III- IV)		15,42,470	15,28,798
VI Tax expense:			
(1) Current tax		516,486	311,551
(2) Deferred tax		1,66,791	524,483
(3) Excess provision of IT written back		5,367	(22,306)
VII Profit (Loss) for the period (V - VI)		8,53,826	7,15,070
VIII Earnings per equity share:			
(1) Basic		0.95	0.79
(2) Diluted		0.95	0.79

Significant Accounting Policies

A

The notes form an an integral part of these Financial Statements.

As Per Our Report of Even Date

For PIPARA & CO,
CHARTERED ACCOUNTANTS
(F. R. N. 107929W)

GYAN PIPARA

PARTNER

M.No. 034289

PLACE : AHMEDABAD.

DATED : 29.05.2017

For ADVANCE PETROCHEMICALS LTD.

ASHOK GOENKA CHAIRMAN &
DIN : 00086925 MANAGING DIRECTOR

ARVIND GONEKA DIRECTOR

DIN : 00093200

PLACE : AHMEDABAD.

DATED : 29.05.2017

ADVANCE PETROCHEMICALS LTD.

NOTES TO AND FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2017

Note No.: 1.1

(In Rs.)

Share Capital	As at March 31, 2017		As at March 31, 2016	
	Number	AmountRs.	Number	AmountRs.
Authorised Equity Shares of Rs. 10/- each	2,000,000	20,000,000	2,000,000	20,000,000
Issued Equity Shares of Rs. 10/- each	900,000	9,000,000	900,000	9,000,000
Subscribed & Paid up Equity Shares of Rs. 10/- each fully paid	900,000	9,000,000	900,000	9,000,000
Total	900,000	9,000,000	900,000	9,000,000

The authorised share capital of the company throughout 2015-16 & 2016-17 was Rs. 20,000,000/- representing 2,000,000 ordinary shares of Rs. 10 each.

The allotted, called up and fully paid ordinary share capital of the company at 31st March, 2017 was Rs. 9,000,000 (2016 : Rs.9,000,000) representing 900,000 (2016:900,000) ordinary shares of Rs. 10 each.

Note No. : 1.1(a)

Shareholders having more than 5% of Shares:

Name of Shareholder	As at March 31, 2017		As at March 31, 2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Pulkit Ashok Goenka	50,800	5.64%	50,800	5.64%
Advance Multitech Ltd.	175,050	19.45%	175,050	19.45%
Honest Synthetic Pvt..Ltd.	157,500	17.50%	157,500	17.50%
Total	383,350	42.59%	383,350	42.59%

Note No. : 1.2

<u>Reserves & Surplus</u>	As at	As at
	March 31, 2017	March 31, 2016
	Rs.	Rs.
a. Revaluation Reserve	964,566	964,566
b. General Reserve	3,054,137	3,054,137
	4,018,703	4,018,703

ADVANCE PETROCHEMICALS LTD.

	As at March 31, 2017 Rs.	As at March 31, 2016 Rs.
c. Surplus		
Opening balance	34,85,071	2,770,000
(+) Net Profit/(Net Loss) For the current year	8,53,826	7,15,070
Closing Balance	43,38,897	34,85,071
Total	<u>83,57,600</u>	<u>75,03,773</u>

Note No. : 1.3

<u>Long Term Borrowings</u>	As at March 31, 2017 Rs.	As at March 31, 2016 Rs.
Secured		
O.B.C. Car Loan Agreement No. CN/1051 (Secured Against Car Maruti Ciaz)	235,965	497,402
BMW India Financial Serv.PLtd Ag.No.CN00078784 (Secured Against Car BMW 320D)	238,222	907,987
HDFC Bank Ltd Agreement No. 32931372 (Secured Against Car Mahindra XUV 500)	97,895	465,443
	<u>572,082</u>	<u>1,870,832</u>
<u>Unsecured</u>		
Loans Repayable on demand		
(a) From Body corporates :		
Bajaj Finance Ltd (418PSB22371086)	290,889	-
Magma Fincorp Ltd (000022)	1,042,437	-
	<u>1,333,326</u>	<u>-</u>
(b) From Related parties :		
Kashi Welfab Pvt. Ltd. (Formerly Known as Advance Stainless Pvt. Ltd.)	970,000	570,000
Advance Synthetic Mills	5,706,386	5,713,686
Aditi Pulkit Goenka	500,000	500,000
	<u>7,176,386</u>	<u>6,783,686</u>

ADVANCE PETROCHEMICALS LTD.

<u>Long Term Borrowings</u>	As at March 31, 2017 Rs.	As at March 31, 2016 Rs.
(c) From Others :		
Sanjay R.Goenka Huf	2,838,625	2,442,877
Sanjay R Goenka	-	9,122
Avlokan Tie-Up Pvt Ltd	2,270,000	2,135,000
Gopal Priya Agencies Pvt Ltd	1,135,000	1,067,500
Sheela Ashok Goenka	1,000,000	1,000,000
	<u>7,243,625</u>	<u>6,654,499</u>
Total	<u>16,325,418</u>	<u>15,309,017</u>

Note No. : 1.4

<u>Short Term Borrowings</u>	As at March 31, 2017 Rs.	As at March 31, 2016 Rs.
Secured		
<u>Cash Credit Account</u>		
Oriental Bank of Commerce (A/c No.- 01704015000254) (Against Hypothecation of stocks of raw material, Stock in Progress, Finished goods, Stores and Spares and Receivables)	28,682,421	29,631,820
Oriental Bank of Commerce Packing Credit (01708511029570) (Secured against Hypothecation of Paid Stocks meant for Export)	1,340,000	5,000,000
Total	<u>30,022,421</u>	<u>34,631,820</u>

Note No. : 1.5

<u>Trade Payable</u>	As at March 31, 2017 Rs.	As at March 31, 2016 Rs.
Creditors for Chemicals (Refer Grouping)	71,04,059	5,497,289
Creditors for Packing Materials(Refer Grouping)	24,07,822	11,75,526
Total	<u>95,11,881</u>	<u>66,72,815</u>

ADVANCE PETROCHEMICALS LTD.

Note No. : 1.6

<u>Other Current Liabilities</u>	As at March 31, 2017 Rs.	As at March 31, 2016 Rs.
(a) <u>Current maturities of Long-term debt</u>		
<u>From Body Corporate:</u>		
Magma Fincorp Ltd (000224)	-	973,089
Magma Fincorp Ltd (000022)	811,940	-
Bajaj Finance Ltd (418PSB22374086)	-	99,286
Bajaj Finance Ltd (418PSB22371086)	1,592,397	-
Tata Capital Finance Services Ltd (3936944)		122,055
BMW India Financial Services Pvt Ltd Ag. No. CN00078784 (Secured Against Car BMW 320D)	669,765	606,340
HDFC Bank Ltd Agreement No. 32931372 (Secured Against Car Mahindra XUV 500)	367,548	331,914
O.B.C. Car Loan Agreement No. CN/1051 (Secured Against Car Maruti Ciaz)	262,245	235,552
HDFC Bank Ltd Agreement No. 27321913 (Secured Against Car Hyundai EON)	-	119,093
	3,703,895	2,487,329
(b) <u>Revenue Received in Advance:</u>		
Advance from customers	7,70,235	525,194
	7,70,235	525,194
(c) <u>Other payables:</u>		
Creditors for Expenses	41,70,929	39,72,678
Professional Tax Payable	4,840	5,460
ESIC Payable	13,898	10,840
Conveyance Payable	6,900	14,700
Expense Payable	6,062	26,253
Power Payable	211,940	203,210
Leave Encashment Payable	181,541	-
Export Commision Payable	-	312,373

ADVANCE PETROCHEMICALS LTD.

<u>Other Current Liabilities</u>	As at March 31, 2017 Rs.	As at March 31, 2016 Rs.
Excise Duty on Finished Goods	-	92,100
Provident Fund Payable	52,732	53,975
Salary Payable	386,126	374,256
Telephone Expense Payable	7,614	13,157
TDS PAYABLE		
TDS- Commission	-	4,923
TDS-Salary	25,760	12,000
TDS-Contract/Sub-Contract	10,772	7,283
TDS On Interest	95,325	52,643
TDS-Consultancy	6,535	9,563
	<u>51,80,974</u>	<u>51,65,414</u>
Total	<u>96,55,103</u>	<u>81,77,937</u>

Note No. : 1.7

<u>Short Term Provision</u>	As at March 31, 2017 Rs.	As at March 31, 2016 Rs.
Provision For Income Tax	516,486	311,551
Total	<u>516,486</u>	<u>311,551</u>

ADVANCE PETROCHEMICALS LTD.

NOTES 2.11

Description of Assets	(A) GROSS BLOCK			(B) DEPRECIATION BLOCK			(C) NET BLOCK			
	Balance As at 01.04.2016	ADDITION	DEDUCTION	Balance as at 31.03.2017	Balance as at 01.04.2016	Depreciation charged for the year	Transfer to General Reserve & DTAAs per Companies Act 2013	TOTAL	Balance as at 31.03.2017	Balance as at 31.03.2016
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Factory Building	6,121,293	43,253	-	6,164,546	4,905,252	189,850	-	5,095,103	1,069,443	1,216,041
Plant & Machinery	25,720,388	388,600	-	26,108,988	12,958,683	886,645	-	13,845,328	12,263,660	12,761,705
Machinery Scrap	559,853	-	-	559,853	-	-	-	-	559,853	559,853
Furniture & Fixture	261,761	-	-	261,761	241,074	6,530	-	247,604	14,157	20,687
Computer	565,513	26,200	-	591,713	444,462	75,391	-	519,853	71,860	121,051
Vehicle	7,921,794	-	-	7,921,794	3,561,564	605,207	-	4,166,771	3,755,023	4,360,230
Office Equipment	479,862	72,143	-	552,005	441,766	30,989	-	472,756	79,249	38,096
Factory Land	46,000	-	-	46,000	-	-	-	-	46,000	46,000
TOTAL	41,676,464	530,196	-	42,206,660	22,552,802	1,794,614	-	24,347,415	17,859,245	19,123,662
Capital Work in Progress - Building		2,538,999		2,538,999	-	-	-	-	2,538,999	-
GRAND TOTAL	41,676,464	3,069,195	-	44,745,659	22,552,802	1,794,614	-	24,347,415	20,398,244	19,123,662
Previous Year	38,888,638	2,787,826	-	41,676,464	20,695,805	1,856,997	-	22,552,802	19,123,662	18,192,833

Note:

Depreciation has been provided as per Schedule II of Companies Act, 2013

ADVANCE PETROCHEMICALS LTD.

Note No. : 2.2

<u>Non-current Investment</u>	As at March 31, 2017 Rs.	As at March 31, 2016 Rs.
900 Equity shares of Wellspun Gujarat Stahl Rohern	5,985	5,985
2,26,200 Fully paid Equity shares of Rs.10 each of Advance Multitech Limited	<u>3,590,220</u>	<u>3,590,220</u>
Total	<u>3,596,205</u>	<u>3,596,205</u>

Note No. : 2.3

<u>Long Term Loans and Advances</u>	As at March 31, 2017 Rs.	As at March 31, 2016 Rs.
Loans & Advances to Corporate Unsecured & Considered Goods		
C.D. Denim Clothing Co.	2,000,000	2,000,000
Refund of I.T (A.Y 1995-96)	322,166	322,166
Refund of I.T (A.Y 2001-02)	33,829	33,829
Refund of I.T (A.Y 2009-10)	264,690	264,690
Advance Tax & TDS Recivable (A.Y 2016-17)	-	5,367
Advance Tax & TDS Recivable (A.Y 2017-18)	26,614	-
Export Incentive Receivable	335,574	335,574
Deposits:		
Torrent Power Ltd	337,273	337,273
Vijay Gas & Domestic Appliance	2,500	2,500
Earnest Money Deposit With BEST	102,000	140,290
Total	<u>3,424,646</u>	<u>3,441,689</u>

Note No. : 2.4

<u>Inventories</u>	As at March 31, 2017 Rs.	As at March 31, 2016 Rs.
(Stock Valued and Certified By Management)		
Raw Materials, Stores & Consumables	1,478,085	789,372
Work-in-Progress	36,467,609	24,662,637

ADVANCE PETROCHEMICALS LTD.

<u>Inventories</u>	As at March 31, 2017 Rs.	As at March 31, 2016 Rs.
Finished Goods	1,128,000	828,900
Packing Material	523,980	338,110
Stores & Spares	21,300	22,580
Coal	115,311	78,744
Total	39,734,285	26,720,343

Note : Slow moving WIP has been merged with WIP in the current year (as well as restated similarly for previous year) for representation purposes.

Note No. : 2.5

<u>Trade Receivables</u>	As at March 31, 2017 Rs.	As at March 31, 2016 Rs.
Trade receivables outstanding for a period less than six months from the date they are due for payment		
Unsecured, considered good	11,339,267	21,319,724
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
UnSecured, considered good :	1,293,144	1,716,650
Total	12,632,410	23,036,374

Note No. : 2.6

<u>Cash and cash equivalents</u>	As at March 31, 2017 Rs.	As at March 31, 2016 Rs.
a. Balances with banks		
TDR & S.P.T.D.R (SBS I.F.Branch) (10513031032256)	50,000	50,000
Balance with Bank of Baroda (10020200002636)	-	533
Balance with Oriental Bank of Commerce (01701131001582)	10,021	21,215
b. Cash on hand	1,512,037	2,127,516
Total	1,572,058	2,199,263

ADVANCE PETROCHEMICALS LTD.

Note No. : 2.7

<u>Short-term loans and advances</u>	As at March 31, 2017 Rs.	As at March 31, 2016 Rs.
Unsecured, considered good :		
- Advance to Suppliers	28,62,823	2,364,952
- Advance to Staff	1,96,000	576,000
Total	<u>30,58,823</u>	<u>2,940,953</u>

Note No. : 2.8

<u>Current Assets</u>	As at March 31, 2017 Rs.	As at March 31, 2016 Rs.
Add.Guj.Vat Receivable	377,732	604,109
Gujarat Vat Receivable	414,370	356,624
Balance in Modvat A/c	187,727	967,186
Balance in Modvat A/c (Additional)	105,742	93,277
Balance in Modvat A/C (Ed Cess)	7,303	7,303
Balance in Modvat A/C (Sec Ed Cess)	3,754	3,754
Balance in PLA A/C	13,664	13,664
Balance in PLA A/C Sec Ed Cess	5,792	5,792
Balance in PLA A/C Edu Cess	7,999	7,999
Balance in RG 23 C Part II	19,187	27,754
Balance in RG 23 C Part II Cess	520	521
Balance in RG 23 C Part II Sec Ed Cess	257	258
Balance in RG 23 A Part II ServiceTax	26,447	213,394
Balance in RG 23 A Part II Service Tax Ed.Cess	4,032	4,032
Balance in RG 23 A Part II Service Tax Sec. Ed.Cess	5,081	5,081
Cess on Service Tax Receivable	-	-
Service Tax Receivable	9,053	7,000
Service Tax Paid In Advance	-	-
Excise receivable	813	-
Interest receivable	46,902	35,061
Prepaid Expenses:		
Prepaid Insurance	148,140	130,034
Prepaid Expenses	-	306,600
Prepaid Licence	37,366	7,800
Other Receivables (Refer Grouping)	93,170	127,202
Total	<u>1,515,051</u>	<u>2,924,445</u>

ADVANCE PETROCHEMICALS LTD.

**NOTES TO AND FORMING PART OF STATEMENT OF PROFIT AND
LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2017**

Note No.: 3.1

<u>Revenue From Operations</u>	For the year ended March 31, 2016	For the year ended March 31, 2016
	Rs.	Rs.
Domestic Sales	102,807,606	100,469,849
Export Turnover	2,490,280	18,101,017
Total	105,297,886	11,85,70,866

Note No.: 3.2

<u>Other Income</u>	For the year ended March 31, 2017	For the year ended March 31, 2016
	Rs.	Rs.
Job Work	-	5,230
A.E.Co Substation Rent	-	600
Interest Income	280,256	52,603
Dividend	315	315
Foreign Exchange Fluctuation	-	221,132
Total	280,571	279,880

Note No.: 4.1

<u>Cost of Material Consumed</u>	For the year ended March 31, 2017	For the year ended March 31, 2016
	Rs.	Rs.
Opening Stock of Raw Material	789,372	437,123
Purchases		
Raw Material	63,157,670	67,933,022
Add: Inward Freight, Cartage and Custom Duty	3,123,641	4,376,920
Less: Closing Stock of Raw Material	(1,478,085)	(789,372)
Total	65,592,598	719,57,693

ADVANCE PETROCHEMICALS LTD.

Note No.: 4.2

<u>Changes In Inventories</u>	For the year ended March 31, 2017 Rs.	For the year ended March 31, 2016 Rs.
Opening stock of finished goods	828,900	5,852,250
Less: Closing Stock of Finished Goods	1,128,000	828,900
Increase / (Decrease) in Stock of Finished Goods	<u>299,100</u>	<u>5,023,350</u>
Opening WIP	24,662,637	19,373,776
Less: Closing WIP	36,467,609	24,662,637
Increase / (Decrease) in WIP	<u>11,804,972</u>	<u>(5,288,861)</u>
Total	<u>12,104,072</u>	<u>(265,511)</u>

Note No. : 4.3

<u>Manufacturing & Operating Cost</u>	For the year ended March 31, 2017 Rs.	For the year ended March 31, 2016 Rs.
Stores & Spares Consumed	8,18,144	9,14,593
Repairs & Maintenance	1,47,511	2,19,250
Power & Fuel	53,38,363	58,87,587
Factory Expenses	1,87,879	1,85,040
License Expenses	11,584	25,000
Lab Chemicals	1,18,437	1,50,918
Job Work Charges	8,500	10,000
Total	<u>66,30,418</u>	<u>73,92,388</u>

ADVANCE PETROCHEMICALS LTD.

Note No. : 4.4

<u>Employee Benefits Expense</u>	For the year ended March 31, 2017 Rs.	For the year ended March 31, 2016 Rs.
(a) Salaries and incentives	5,018,128	4,569,018
(b) Contributions to -		
(i) Provident Fund	318,832	320,601
(ii) E.S.I.C	91,175	92,323
(c) Leave Salary	181,541	173,883
(d) Bonus	206,067	163,404
(e) Labour Welfare Fund	665	-
(f) Director's Remuneration	1,380,000	987,500
(g) Salary to Key Managerial Personnel	208,800	190,800
-Bonus	17,400	15,900
-Leave Encashment	17,400	15,900
(h) Staff welfare expenses	210,729	84,501
(i) Gratuity	-	82,624
Total	7,650,737	6,696,454

Note No. : 4.5

<u>Financial Costs</u>	For the year ended March 31, 2017 Rs.	For the year ended March 31, 2016 Rs.
Interest Expenses	3,670,688	3,476,235
Interest On Car Loan	261,649	288,570
Interest On Unsecured Loan	889,720	830,680
Interest on NBFC Loan	740,718	493,538
Loan Procurement Expenses	40,131	-
Bank Commission, Processing & Discounting Charges	173,688	149,225
Total	5,776,593	5,238,248

ADVANCE PETROCHEMICALS LTD.

Note No. : 4.6(a)

Payments to the auditor	For the year ended March 31, 2017 Rs.	For the year ended March 31, 2016 Rs.
a. For Statutory audit Fees	40,000	40,000
b. For Tax audit Fees	10,000	10,000
c. For Services Tax	7,500	7,250
Total	57,500	57,250

Note No. : 4.6(b)

Other Expenses	For the year ended March 31, 2017 Rs.	For the year ended March 31, 2016 Rs.
Administration Expense	26,656	-
Advertisement Expense	443,205	218,800
AGM Expense	5,200	-
Cess Charges	-	652
Clearing & Forwarding Charges	31,439	472,295
Computer Repairing	36,550	15,594
Consultancy Charges	213,717	224,250
Conveyance Expenses	273,059	242,278

ADVANCE PETROCHEMICALS LTD.

Other Expenses	For the year ended March 31, 2017 Rs.	For the year ended March 31, 2016 Rs.
Excise on Finished Goods	-	92,100
Freight Outward Expenses	1,640,916	974,218
Handling Charges	107,928	-
Health License Fee	15,000	-
Inspection Fees	3,450	15,170
Insurance Expenses	363,067	249,984
ISO, Cost & Stock Audit Fees	7,000	21,000
Listing Fees & Filing Expenses	292,772	372,302
Legal & Professional Expenses	27,599	31,882
Membership & Subscription Fees	23,819	51,868
Municipal Tax	313,649	347,322
Office Expense	1,540	3,564
Rent Rates & Taxes	36,000	36,000
Postage Expenses	64,726	61,531
Printing & Stationery	72,449	63,906
Professional Tax	2,400	2,400
Repairs and Maintenance - Vehicle & Building	61,075	411,940
Security Charges	73,228	2,100
Service Tax	35,722	130,974
Telephone Expenses	257,867	228,299
Tender Fees	-	11,307
Testing & Certification	147,450	102,201
Travelling Expenses	266,774	107,935
Interest on Service tax , TDS & Income tax	12,580	30,797
Valuation Charges	11,500	-
Foreign Exchange Fluctuation	19,288	-
Export Expense	-	74,679

ADVANCE PETROCHEMICALS LTD.

Other Expenses	For the year ended March 31, 2017	For the year ended March 31, 2016
	Rs.	Rs.
Commission and Brokerage	254,895	483,352
Packing Material Consumed	5,913,517	3,992,282
Refreshment Expense	2,176	640
Donation	-	14,200
Discount & Sales Rebate	205,865	269,773
Sales Tax Assesment Exp.	-	38,507
Pollution Control Expense	2,775	29,200
Bad Debts Written off	421,752	1,081,119
Sales Promotion	30,924	94,186
Sales Rate Diff.	103,106	329,984
Total	11,872,636	10,980,590

ADVANCE PETROCHEMICALS LTD.

Note No. A

I. Background :

Advance Petrochemicals Ltd., a Chemical Industry of Advance group of Companies, one of the business house at Ahmedabad. Company established in 1984 by eminent industrialist Late Shri Vishwanath Goenka, Company is engaged in manufacturing of Ethanol amines, Alkyl Alknolamines, Non Ionic surfactants, Oil field chemicals, polyethylene Glycol, Leing Inhibitor for aviation fuel, Acrylic & Co. - Acrylic Binder Glycol Ethey, Auxiliaries & Speciality Chemical Hydraulic Brake Fluid, Radiator Coolant etc.

II. Statement of Significant Accounting Policies & Practies :

annexed to & forming part of the Financial Statement for the year ended 31st March 2017.

1 Basis of Preparation of Financial Statements

The Financial Statements are prepared under the historical cost convention, on the accrual basis of accounting and comply with the provisions of Companies Act, 2013, accounting principles generally accepted in India and Accounting Standards issued by The Institute of Chartered Accountants of India (ICAI) to the extent applicable.

2 Revenue Recognition

- a) Sales including export sales and trading sales are recognised when goods are dispatched from the factory and are recorded at net of shortages, claims settled, rate differences, rebate allowed to customers.
- b) Export Sales are booked at the rate on the date of transaction and the resultant gain or loss on realisation or on translation is accounted as "Foreign Exchange Rate Fluctuation" and is dealt with in the statement of Profit and Loss Account.

3 Fixed Assets and Depreciation

Fixed assets, other than Plant & Machinery, are valued and stated at cost less accumulated depreciation calculated on the basis of Written Down Value Method. In case of Plant & Machinery, depreciation has been provided on Straight Line Method (SLM) basis. The Fixed Assets purchased during the current financial year has been depreciated on basis of Written Down Value

ADVANCE PETROCHEMICALS LTD.

Method except Plant and Machinery and Vehicles which are depreciated on basis of Straight Line Method Basis. The depreciation on Fixed assets are calculated as per Schedule II of Companies Act 2013.

4 Inventories

Inventories of Raw Materials, Packing material are stated at Cost, Finished goods are stated at Net Realisable Value by deducting 10% from selling price, Coal, Goods in process, Stores and Spares, as certified and Valued by Management. Cost comprises of cost of purchases, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Costing formula used is First-in-First-out (FIFO).

5 Investments

Investments are classified as Long Term Investments. Long term investments are stated at Cost. Provision is made for diminution in the value of Long term Investments to recognise a decline, if any other than temporary in nature.

6 Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenue and expenses and disclosure of contingent liabilities on the date of financial statements. The recognition, measurement, classification or disclosure of an item or information in the financial statements has been made relying on these estimates.

7 Impairment of Assets

Consideration is given at each Balance Sheet date to determine whether there is any indication of impairment of the carrying amounts of the Company's assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognized wherever the carrying amount of an assets exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and value in use.

8 Provisions, Contingent Liabilities & Contingent Assets :

Provisions : Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an out flow of resources embodying

ADVANCE PETROCHEMICALS LTD.

economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its Present value.

Contingent Liabilities : Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly with in the Control of the Company or a present obligation that arises from post events where it is either not probable that an out flow of resources will be required to settle or a reliable estimate of the amount cannot be made.

9 Employee Benefits

- a) Short term employee benefits are recognized as an expense at undiscounted amount in the Profit & Loss Account of the year in which the related service is rendered. However Bonus has been accounted on cash basis.
- b) Post employment and other long term employee benefits are recognized as an expense in the Profit & Loss Account in the year of payment.

III. Assets and Liabilities

- 1 All debit and credit balances and accounts squared up during the year are subject to confirmation from respective parties.
- 2 In the opinion of the Board of Directors the current assets, loans & advances are approximately of the value at which these are stated in the Balance Sheet if realised in the ordinary course of business.
- 3 Adequate provisions have been made for all known liabilities and the provision are not in excess of the amount reasonably necessary.

IV. Accounting for Taxes

- 1 As required by "Accounting Standard 22 - Accounting for Taxes on Income", the company has provided for Deferred Taxes. The tax effect of timing differences originating and reversing during the year has been reflected in the current year's Profit & Loss Ac

V. Segment Reporting

The Company has a single business segment namely PETROLEUM PRODUCT. Hence, the company's business does not fall under different business segments as defined by AS - 17 " Segmental Reporting " issued by the ICAI.

VI. Earning Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period. The weighted average number of equity shares outstanding during the period and for all periods presented. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

VII. Directors of Company :-

Chairman & Managing Director	:-	Shri Ashokbhai Goenka
Director	:-	Shri Arvindbhai Goenka
Director	:-	Shri Shailesh Singh Rajput
Director	:-	Shri Om Prakash Jalan
Director	:-	Shri Niresh Parikh
Additional Director	:-	Smt Aanchal Arvind Goenka

ADVANCE PETROCHEMICALS LTD.

VIII. Trasactions with Related Parties

Following transaction were carried out with related parties in the ordinary course of business :

Name of the Person	Nature of Payments	Opening Balance (2016-17)	Transaction during the year (2016-17) Amount (Rs.)	Closing Balance (2016-17)	Transaction in Previous year (2015-16) Amount (Rs.)
Ashok Goenka	Director Remuneration	44,162	900,000	134,960	560,000
Shailesh Singh Rajput	Director Remuneration	Nil	480,000	Nil	427,500
Natraj Mohanbhai Arli	Key Managerial Personnel	Nil	243,600	Nil	222,600
Kashi Welfab Pvt. Ltd.	Loan Taken	570,000	900,000	970,000	-
Kashi Welfab Pvt. Ltd.	Loan Repaid	570,000	500,000	970,000	380,000
Kamal Kumar Goenka	Salary	39,800	540,000	89,600	480,000
Pulkit Goenka	Salary	26,900	200,000	Nil	440,000
Advance Synthetic Mills.	Repayment of Loan	5,713,686	7,300	5,706,386	305,200
Advance Multitech Ltd.	Loan Given & Squared up	Nil	1,420,515	Nil	3,430,177

IX Earning in Foreign Currency Rs. 24,90,280/- (Previous Year Rs. 67,76,867/-).

X C.I.F. value of Imports Rs. 14,43,200 (Previous Year: Rs. NIL/-).

XI Expenditure in Forign Currency Rs. 14,43,200/- (Previous Year: Rs. NIL/-).

XII Previous Year figures have been rearranged / regrouped wherever necessary.

ADVANCE PETROCHEMICALS LTD.

XIII Details of Specified Bank Notes (SBN) held and transacted during the period 08/11/2016 To 30/12/2016 are provided in the table below :

	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11. 2016	2,220,000	1,361,469	35,81,469
(+) Permitted receipts	-	3,05,921	3,05,921
(-) Permitted payments	-	2,86,133	2,86,133
(-)Amount deposited in Banks	2,220,000	-	2,220,000
Closing cash in hand as on 30.12. 2016	-	13,81,257	13,81,257

As Per Our Report of Even Date
For PIPARA & CO,
CHARTERED ACCOUNTANTS
(F. R. N. 107929W)

GYAN PIPARA
PARTNER
M.No. 034289
PLACE : AHMEDABAD.
DATED : 29.05.2017

For ADVANCE PETROCHEMICALS LTD.
ASHOK GOENKA CHAIRMAN &
DIN : 00086925 MANAGING DIRECTOR
ARVIND GONEKA DIRECTOR
DIN : 00093200

PLACE : AHMEDABAD.
DATED : 29.05.2017

ADVANCE PETROCHEMICALS LTD.

CASH FLOW STATEMENT FOR THE YEAR ENDED ON MARCH 31, 2017

CIN : L23200GJ1985PLC008013

(Pursuant to the Listing Agreement with Stock Exchanges)

Part	Particulars	As at March 31, 2017		As at March 31, 2016	
		Rs.	Rs.	Rs.	Rs.
A	CASH FLOW FROM OPERATING ACTIVITIES :				
	Net profit/(Loss) Before Taxation		15,42,470		1,528,797
	Adjustment for:-				
	- Depreciation (Net)	1,794,614		1,856,997	
	- Interest Income	(280,256)		(52,603)	
	- Dividend Income	(315)		(315)	
	- Interest and other Financial Charges	5,776,593		5,238,248	
	- Foreign Exchange Rate Difference	<u>19,288</u>		<u>(221,132)</u>	
			7,309,924		6,821,195
	Operating Profit before Working Capital Changes		<u>88,52,394</u>		<u>8,349,992</u>
	Adjustment for:-				
	- Increase/ (Decrease) in Liabilities	(4,609,399)		11,753,845	
	- Increase / (Decrease) in Trade Payables	28,39,066		(5,389,311)	
	- Increase / (Decrease) in Current Liabilities	14,77,166		(3,198,438)	
	- Increase in Inventories	(13,013,942)		(604,661)	
	- (Increase) / Decrease in Other Current Assets	(1,17,870)		(687,380)	
	- (Increase) / Decrease in Trade Receivables	10,403,963		(335,390)	
	- (Increase) / Decrease in Current Assets	<u>14,09,394</u>		<u>(353,403)</u>	
			(1,611,622)		1,185,263
	Tax Paid		(311,551)		(297,271)
	Cash From Operating Activities Before Extra-Ordinary Items		<u>(6,929,221)</u>		<u>9,237,984</u>
	Adjustment for:-				
	- Foreign Exchange Rate Difference		(19,288)		221,132
	-Excess provision Written off		<u>(5,367)</u>		<u>22,306</u>
	NET CASH FROM OPERATING ACTIVITIES (A)		<u>(6,904,566)</u>		<u>9,481,422</u>
B	CASH FLOW FROM INVESTING ACTIVITIES :				
	Purchase of Fixed Assets	(3,069,195)		(2,787,826)	
	Interest Received	280,256		52,603	
	Decrease in Investments	-		1,000	
	Increase in Loans and Advances Given	17,043		(2,088,303)	
	Dividend Received	<u>315</u>		<u>315</u>	
	NET CASH FROM INVESTING ACTIVITIES (B)		<u>(2,771,581)</u>		<u>(4,822,211)</u>
C	CASH FLOW FROM FINANCING ACTIVITIES :				
	Interest and Other Financial Charges Paid	(5,776,593)		(5,238,248)	
	Total Proceeds from Borrowings (Net of Repayments)	<u>1,016,402</u>		<u>(1,273,162)</u>	
	NET CASH FLOW FROM FINANCING ACTIVITIES (C)		<u>(4,760,192)</u>		<u>(6,511,411)</u>
D	NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)		<u>(6,27,207)</u>		<u>(1,852,200)</u>
	CASH AND CASH EQUIVALENTS AS AT 1.4.2015 (E)		21,99,264		4,051,463
	CASH AND CASH EQUIVALENTS AS AT 31.3.2016 (D +E)		15,72,058		2,199,263

Significant Accounting Policies-Note A

The notes form an an integral part of these Financial Statements.

As Per Our Report of Even Date

For PIPARA & CO,
CHARTERED ACCOUNTANTS
(F. R. N. 107929W)

GYAN PIPARA
PARTNER
M.No. 034289
PLACE : AHMEDABAD.
DATED : 29.05.2017

For ADVANCE PETROCHEMICALS LTD.
ASHOK GOENKA CHAIRMAN &
DIN : 00086925 MANAGING DIRECTOR
ARVIND GONEKA DIRECTOR
DIN : 00093200

PLACE : AHMEDABAD.
DATED : 29.05.2017

ADVANCE PETROCHEMICALS LTD.

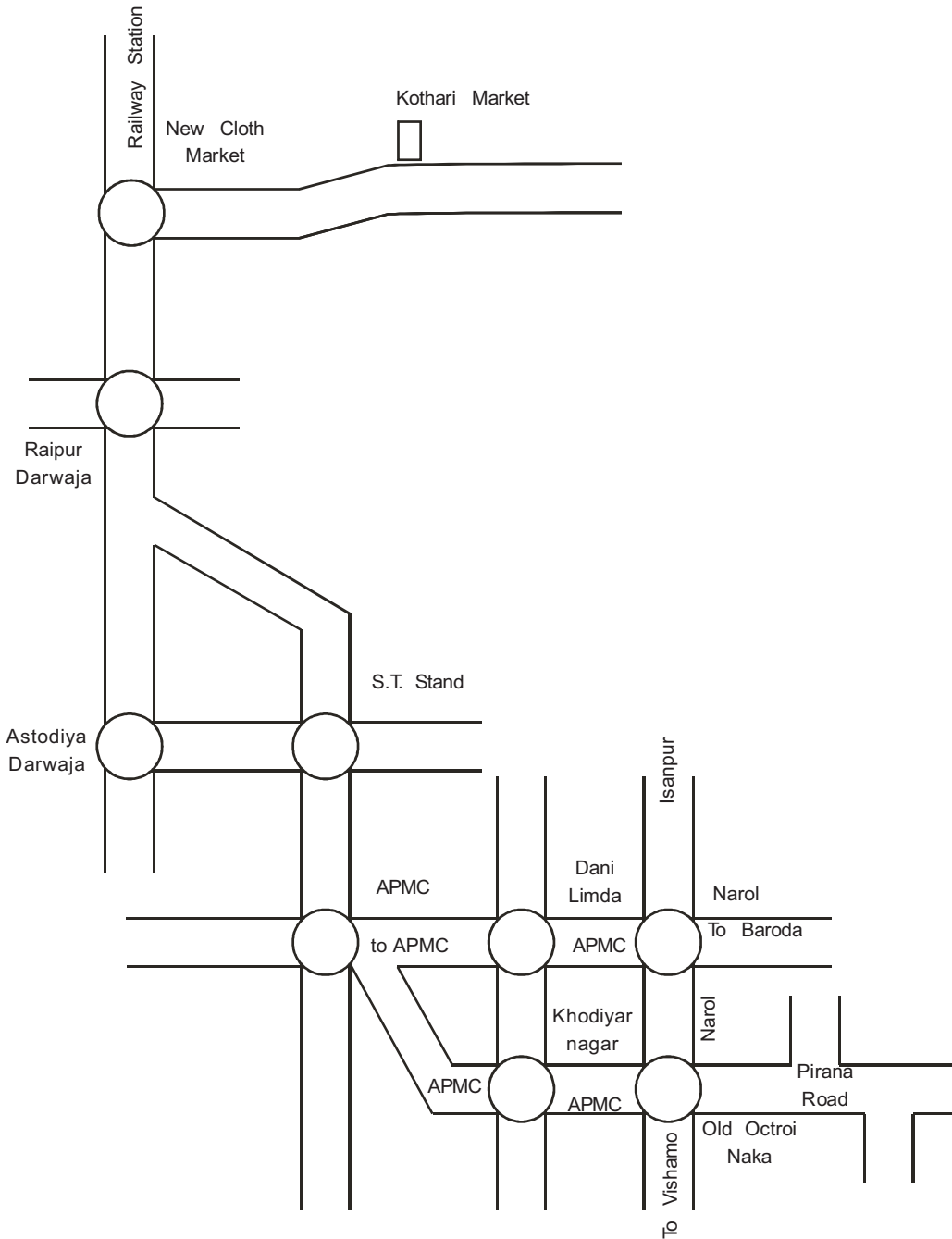
CERTIFICATE

The above Cash Flow Statement has been compiled from and is based on the audited accounts of The Advance Petrochemicals Limited for the year ended on 31st March, 2017 reported upon by us on 29.05.2017. According to the information and explanation given aforesaid cash flow statement read with note thereon, has been prepared pursuant to clause 3(d) of Listing Agreement with stock exchange and reallocation required for purpose are as made by company.

For PIPARA & CO.
CHARTERED ACCOUNTANTS
(F. R. N. 107929W)

PLACE : AHMEDABAD.
DATED : 29.05.2017

GYAN PIPARA
PARTNER
M.No.034289



ADVANCE PETROCHEMICALS LTD.

ADVANCE PETROCHEMICALS LIMITED

(CIN: L23200GJ1985PLC008013)

Regd. Off: 36, Kothari Market, Kankaria Road, Ahmedabad: 380022
Tel: 079 25454795 Fax 079 25710027 Email: info@advancepetro.com
website: www.advancepetro.com

D.P.ID
Client ID

ATTENDANCE SLIP

I/we hereby record my/our presence at the Annual General Meeting of the Company to be held on Friday, September 29, 2017 at 12.30 p.m at Plot No,167, Pirana Approach Village Piplej, Ahmedabad.

NAME OF THE SHARE HOLDER (IN BLOCK LETTERS)
SIGNATURE OF THE SHARE HOLDER
NAME OF THE PROXY (IN BLOCK LETTERS)
SIGNATURE OF THE PROXY

Notes:

1. You are requested to sign and hand over this at the entrance. If you intend to appoint a proxy to attend the meeting instead of yourself, the proxy form must be deposited at the Regd. Office at 36, Kothari Market, Kankaria Road, Ahmedabad: 380022 not less than 48 hours before the time for holding the meeting.
 2. If you are attending the meeting in person or by proxy. You/your proxy for reference at the meeting may please bring your copy of the Balance Sheet.
-

ADVANCE PETROCHEMICALS LTD.

ADVANCE PETROCHEMICALS LIMITED

(CIN: L23200GJ1985PLC008013)

Regd. Off: 36, Kothari Market, Kankaria Road, Ahmedabad: 380022
Tel : 079 25454795 Fax : 079 25710027 Email : info@advancepetro.com
website : www.advancepetro.com

FORM OF PROXY

NAME OF MEMBER (S)
REGD. ADDRESS
EMAIL ID
FOLIO NO./ CLIENT ID
DP ID

I/We, being holder (s) of _____ shares of above named company, hereby appoint

1. _____ of _____ having email id _____
or failing him
2. _____ of _____ having email id _____
or failing him
3. _____ of _____ having email id _____
or failing him

as my/our proxy to attend and vote (on a poll) for me/us and my/our behalf at the annual general meeting to be held on Friday, September 29, 2017 at 12.30 p.m at Plot No,167, Pirana Approach Village Piplej, Ahmedabad and at any adjournment thereof in respect of such resolutions as are indicated below;

Resolution No.	Resolution	Option	
		For	Against
1	Adoption of the Audited Financial Statement for the year ended 31st March, 2017, the Report of Board of Directors and Auditors thereon.		
2	Re-appointment of Mr. Ashok Goenka retiring by rotation		
3	Re-appointment of Mr. Shailesh Singh Rajput retiring by rotation		
4	To appoint M/s. Devpura Navlakha & Co., Chartered Accountants as auditors for period of five years to hold office from the conclusion of this meeting till the conclusion of 37 th annual general meeting of the Company		

ADVANCE PETROCHEMICALS LTD.

Signed this _____ day of _____ 2017 .

Affix
Rupee 1
Revenue
Stamp

Signature of shareholder; _____

Signature of Proxy holder; _____

Note :

1. This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the Meeting and proxy need not be a member of the Company.
2. For the Resolutions, Explanatory Statement and notes please refer to the Notice of the Annual General Meeting.
3. It is optional to put a _____ in the appropriate column against the Resolution indicated in the Box. If you leave the 'For' or 'against' column blank against the Resolutions, your Proxy will be entitled to vote in the manner as He/She thinks appropriate.
4. Please complete all details including details of member(s) in above box before submission.

ADVANCE PETROCHEMICALS LTD.

Regd Post/Courier

To, _____

If undelivered please return to:

ADVANCE PETROCHEMICALS LIMITED

(CIN: L23200GJ1985PLC008013)

Regd. Off: 36, Kothari Market, Kankaria Road, Ahmedabad: 380022

Tel: 079 25454795 Fax 079 25710027 Email: info@advancepetro.com

website: www.advancepetro.com
