

**GARLON POLYFAB INDUSTRIES LIMITED**

**CIN: L17111UP1990PLC012122**

**REGD. OFF. 15/79B, CIVIL LINES KANPUR-208001**

**Date: 29.08.2018**

**To**

**Compliance Department**

**BSE Limited**

**P. J. Towers, Dalal Street,**

**Mumbai-400001**

**Sub: Submission of audited Financial Results with Auditors Report along Statement of Assets and Liabilities for the quarter ended March, 2017**

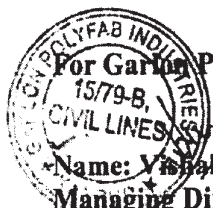
Dear Sir/Madam,

Please find enclosed herewith the Submission of audited Financial Results with Auditors Report along Statement of Assets and Liabilities for the quarter ended March, 2017.

Request to update your records.

Thanking You.

Yours faithfully



**For Garlon Polyfab Industries Limited**

**Name: Vishal Garg**

**Managing Director**

**DIN: 00792099**

**Encl: As above**

## GARLON POLYFAB INDUSTRIES LTD.

CIN NO : L17111UP1990PLC012122

Regd.Office 15/79B, LGF, Sunrise Apartments, Kanpur 208001

UN-AUDITED FINANCIAL RESULTS FOR THE QUARTER/YEAR ENDED 31ST MARCH, 2017

	Particulars	3 months ended	Previous 3 months ended	Corresponding 3 months ended in the previous year	Year to date figures current period ended	Previous accounting year ended
		(31/03/2017)	(31/12/2016)	(31/03/2016)	(31/03/2017)	(31/03/2016)
		(Unaudited)	(Unaudited)	(unaudited)	(Audited)	( Audited)
	<b>PART 1</b>					<b>In Rupees</b>
I	Income from Operations	-			-	-
II	Other Income	-			-	-
III	<b>Total Income from Operations (I+II)</b>	-			-	-
IV	Expenses					
	a) Cost of Material Consumed	-			-	-
	b) Purchase of Stock-in-trade	-				
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	341,130			341,130	
	d) Employees benefit expenses	42,507	42,507	63,734	170,026	254,935
	e) Depreciation and amortisation expense	-			-	-
	f) Financial Cost	-			-	-
	g) Other Expenses	63,215	63,215	88,493	252,858	353,973
	<b>Total Expenses</b>	<b>446,851</b>	<b>105,721</b>	<b>152,227</b>	<b>764,014</b>	<b>608,908</b>
V	Profit (Loss) before exceptional and extraordinary items and tax (III-IV)	(446,851)	(105,721)	(152,227)	(764,014)	(608,908)
VI	Exceptional Items	(3,452,147)			(3,452,147)	
VII	Profit ( loss ) before extraordinary items and tax (V-VI)	(3,898,998)				
VIII	Extraordinary Items					
IX	Profit/(loss) before tax (VII-VIII)	(3,898,998)	(105,721)	(152,227)	(4,216,161)	(608,908)
X	Tax expense					
	(1) Current Tax					
	(2) Defferd Tax					
XI	Net Profit/(loss) for the period from continuing operations (IX-X)					
XII	Profit/(loss) for the period from discontinuing operations		(105,721)	(152,227)	(4,216,161)	
XIII	Tax expense of discontinuing operations	-				
XIV	Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)	-				
XV	Profit (Loss) for the period (XI + XIV)	(3,898,998)	(105,721)	(152,227)	(4,216,161)	(608,908)
XVI	Earnings Per Share (EPS)					
	(1) Basic	(0.85)	-	-	(0.91)	(0.130)
	(2) Diluted					

## Notes:

(I) The above Un-audited results for the quarter and year ended March 31, 2017 have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 30/8/2017.

(II) Figures of previous period have been regrouped, wherever necessary, to confirm to the current year classification.

(III) The Company is engaged in one business segment only

(IV) EPS has been calculated in accordance with AS-20 issued by ICAI.

Date : 30/8/2017

Place : KANPUR

For GARLON POLYFAB INDUSTRIES LTD.

Vishal Garg

Director

DIN-00792099



**Stadalone Statement of Assets and Liabilities**

In Rupees

	Particulars	As on (31/03/2017)	As on (31/03/2016)
<b>A</b>	<b>EQUITY AND LIABILITIES</b>		
1	Shareholder's funds		
	(a) Share capital	46,132,000	46,132,000
	(b) Reserves and surplus	(62,998,779)	(58,782,618)
	(c) Money received against share warants		
2	Share application money pending allotment		
3	Non-current liabilities	-	-
	(a) Long-term borrowings	-	-
	(b) Deferred tax liabilities (net)	-	-
	(c) Other long-term liabilities	-	-
	(d) Long-term provisions		
4	Current liabilities		
	(a) Short-term borrowings	17,212,000.00	16,842,000
	(b) Trade payables	-	-
	(c) Other current liabilities	60,449.69	1,400,000
	(d) Short-term provisions	358,757.00	366,723
	<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>764,428</b>	<b>5,958,105</b>
<b>B</b>	<b>ASSETS</b>		
1	Non-current assets		
	(a) Fixed assets	-	3,518,055
	(i) Tengible assets		-
	(ii) Intengible assets		-
	(iii) Capital Work in Progress		
	(iv) Intangible assets under development		-
	(b) Non-current investments		
	(c) Deferred tax assets (net)		
	(d) Long-term loans and advances	575,698.00	1,863,264
	(e) Other non-current assets		
2	Current assets		-
	(a) Current investments		
	(b) Inventories		-
	(c) Trade receivables		341,130
	(d) Cash and cash equivalentents		
	(e) Short-term loans and advances	188,729.69	235,656
	(f) Other current assets		
	<b>TOTAL - ASSETS</b>	<b>764,428</b>	<b>5,958,105</b>

For and on behalf of the Board of  
GARLON POLYFAB INDUSTRIES LTD.

Vishal Garg  
Director  
DIN-00792099



**P. D. Agrawal & Co.**  
**Chartered Accountants**

15/11- A, Civil Lines, Kanpur 208 001  
Ph. 0512-2304109

**INDEPENDENT AUDITOR'S REPORT**

To,  
The Members of,  
Garlon Polyfab Industries Limited,  
Regd. Off.: 15/79-B, Civil Lines, Kanpur.

**Report on the Financial Statements**

We have audited the accompanying financial statements of "Garlon Polyfab Industries Limited", which comprise the Balance Sheet as at March 31, 2017 and the Statement of Profit and Loss for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

Management is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.

**Auditor's Responsibility**

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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.

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An audit involves performing procedures to obtain audit evidence about the amounts and 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 control relevant to the Company's preparation and fair presentation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for purpose of expressing an opinion on whether the company has in place an adequate internal financial controls system over financial reporting and operating effectiveness of such control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management, 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 financial statements.

#### **Emphasis of Matters**

In the financial statements which indicate that the Company has accumulated losses and its net worth has been fully / substantially eroded, the Company has incurred a net loss/net cash loss during the current and previous years and, the Company's current liabilities exceeded its current assets as at the balance sheet date. These conditions, along with other matters indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, the financial statements of the Company have been prepared on a going concern basis.

#### **Basis for Qualified Opinion**

1. The Company's inventories of Rs. 3,41,130/- has been written off during the year. Management has stated inventories have discarded, out of use. Accordingly, profit is understated in final accounts.
2. As refer to Note No.7 to the financial statements, the management has stated that Land has taken back by operation of law authority, and the building and Plant & Machinery have been sold and balance amount of Land, Building and Plant & Machinery are written off to the Profit and Loss account.

#### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- 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 Profit and Loss Account, of the loss for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.



**Report on Other Legal and Regulatory Requirements**

1. As required by the provisions of Companies (Auditor's Report) Order, 2016 ("the order") issued by Central Government of India in terms of Sub-section (11) of Section 143 of Act and on the basis of checks as we considered appropriate and according to information and explanation given to us, we give in the Annexure-A a statement on the matters specified in paragraphs of 3 and 4 of the Order to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
  - c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) in our opinion, the aforesaid financial statements comply with the Accounting Standards except AS-2, AS-5 and AS-22, specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, applicable to this company.
  - e) the going concern matter described under the Emphasis of Matters paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
  - f) on the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of Section 164(2) of the Companies Act, 2013.
  - g) 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"; and
  - h) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements to in Note No.15.II(b) to the financial statements.
    - 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.

**FOR P. D. AGRAWAL & CO.**  
Chartered Accountants  
FRN : 001049C

  
(Tarun Gupta)  
Partner  
M. No. 077468

PLACE: Kanpur  
DATED: 30/08/2017



**P. D. Agrawal & Co.**

**Chartered Accountants**

15/11- A, Civil Lines, Kanpur 208 001  
Ph. 0512-2304109

**"ANNEXURE-B"**

**FORMING PART OF THE AUDITORS' REPORT OF  
GARLON POLYFAB INDUSTRIES LIMITED**

(Annexure-A referred to in paragraph 3(g) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date)

**Report on the Internal Financial Controls under Clause(i) of sub section 3 of Section 143 of the Companies Act, 2013("the Act")**

We have audited the internal financial controls over financial reporting of Garlon Polyfab Industries Limited ("the Company") as of 31<sup>st</sup> March, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components if internal control stated in the Guidance Note on Audit of Internal Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**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 (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the company are being made only in accordance with 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 financial statements.

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

Because of the inherent limitations financial controls over financial reporting including the possibility of collusion or improper management override of controls material misstatements due to error or fraud may occur and not to be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion**

In our opinion, the company has in all material respects an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Reporting issued by the Institute of Chartered Accountants of India.

PLACE: Kanpur  
DATED: 30/08/2017

FOR P. D. AGRAWAL & CO.  
Chartered Accountants  
FRN : 001049C



(Tarun Gupta)  
Partner  
M. No. 077468





**P. D. Agrawal & Co.**

**Chartered Accountants**

15/11- A, Civil Lines, Kanpur 208 001

Ph. 0512-2304109

**“ANNEXURE-A”**

**The Annexure referred to in paragraph 1 of the Our Report of even date to the members of Garlon Polyfab Industries Limited on the accounts of the company for the year ended 31<sup>st</sup> March, 2017**

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

- (i) (a) Since the company has no Fixed Assets at the end of the year, this point is not applicable however records of fixed assets have been maintained;
- (b) As explained to us, all fixed assets have been disposed off during the year, this point is not applicable fixed asset, The same affect the going concern assumption during the year.
- (c) Since the company has no Fixed Assets at the end of the year, this point is not applicable.
- (ii) Since the company has no inventories at the year end, and accordingly reporting under paragraph 3(ii) of the Order is not applicable for the year under audit.
- (iii) As informed the company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act and accordingly reporting under paragraph 3(iii) of the Order is not applicable for the year under audit.
- (iv) In our opinion and according to information and explanation given to us the company has in respect of loans, investments, guarantees, and security, complied with the provision of section 185 and 186 of the Companies Act, 2013.
- (v) According to information and explanations given to us, the company has not accepted deposits, and hence reporting under paragraph 3(v) of the Order on directions issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 is not applicable for the year under audit. As per information and explanations given to us, there have been no Orders passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal in his regard and hence reporting under paragraph 3(v) of the Order is not applicable for the year under audit. Further the company has accepted interest free unsecured borrowings from one company amounting to Rs. 1,72,12,000/- (P/Y Rs. 1,68,42,000/-).
- (vi) To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the companies Act, 2013 for the products of the company.
- (vii) (a) According to the information and explanation given to us, the Company is regular in depositing undisputed statutory dues with appropriate authorities including Provident Fund, Income Tax, Sales Tax, Wealth Tax, Service Tax, other statutory dues applicable to the company and that there are no undisputed statutory dues were outstanding as at March 31, 2017 for a period of more than six months from the date of becoming payable. As informed, the provisions of the Employees State Insurance Act are not applicable to the Company.

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- (b) According to the information and explanation given to us, there are no dues of sales tax, income tax, custom duty, wealth tax, excise duty and Cess which have not been deposited on account of any dispute.
- (viii) According to the information and explanation given to us and on the basis of our examination of books of accounts, the company has not taken secured loan. Reporting on default in repayment of dues to a financial institution or bank or debenture holders is not applicable to the company.
- (ix) The company has not raised moneys by way of initial public offer or further public offer (including debt instrument) during the year. However the moneys were raised by way of term loans which were applied for the purposes for which those were raised.
- (x) Based upon the audit procedures performed and according to the information and explanations given to us, no fraud by the company or any fraud on the company by its officers or employees has been noticed or reported during the course of our audit, that causes the financial statements to be materially misstated.
- (xi) No Managerial remuneration has been paid or provided.
- (xii) 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.
- (xiii) In our opinion and as per the information and explanation given to us, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, the provisions of clause 3 (xiv) of the Order are not applicable to the Company.
- (xv) In our opinion and as per the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with them. Therefore, the provisions of clause 3 (xv) of the Order are not applicable to the Company.
- (xvi) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company.

PLACE: Kanpur  
DATED: 30/08/2017

FOR P. D. AGRAWAL & CO.  
Chartered Accountants  
ERN : 001049C

  
(TARUN GUPTA)  
Partner  
M. No. 077468