

AMBER FABRICS LIMITED**INDEPENDENT AUDITORS' REPORT**

To,
The Members,

Amber Fabrics Limited
Hyderabad

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Amber Fabrics Limited ("the Company") which comprise the Balance sheet as at 31 March 2016, 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.

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 ("the Act") 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 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 standalone 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.

AMBER FABRICS LIMITED

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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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,

- i. In the case of the Balance sheet, of the state of affairs of the Company as at March 31, 2016;
- ii. In the case of the Profit and Loss Account, of the profit for the year ended on that date; and
- iii. In the case of 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 Companies (Auditor's Report) Order, 2015 ("the Order") 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 statement on the matters specified in the paragraph 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 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.

AMBER FABRICS LIMITED

- (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The Balance Sheet, the Statement of Profit and Loss 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 31 March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Act; and
- (f) 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.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For M/s Raju S Narayan & Associates
Chartered Accountants
(FRN : 022592N)**

**Date : 30/05/2016
Place : Hyderabad**

**Raju S Narayan
Partner
Membership No.: 512105**

AMBER FABRICS LIMITED**ANNEXURE TO THE AUDITORS' REPORT**

The Annexure referred to in our Independent Auditors' Report to the members of Amber Fabrics Limited ("the Company") on the standalone financial statements for the year ended on 31st March 2016, we report that:

1. In respect of Fixed Assets:

- a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of available information.
- b. As per the information and explanation given to us, all the fixed assets have been physically verified by the management at reasonable intervals during the year. No material discrepancies were noticed on such physical verification.

2. In respect of Inventories:

- a. As per the information and explanation given to us, the inventories have been physical verified by the management at reasonable intervals during the year.
- b. In our opinion and as per the information and explanation given to us, procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
- c. The Company has maintained proper records of inventories. The discrepancies noticed on verification between the physical stocks and books records were not material.

3. In respect of Loans and Advances granted during the year:

As per information and explanation given to us, the Company has not granted loans to parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act') and therefore, the clauses (iii) (a) and (b) of the Companies (Auditor's Report) Order, 2015 are not applicable.

4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and for the sale of goods. During the course of audit, no major weakness has been noticed in the internal controls.
5. During the year, the company has not accepted any deposits 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 Companies Act, 2013 and the rules framed there under are not applicable to the company.

AMBER FABRICS LIMITED

6. As per the information and explanation provided to us the company is not required to maintain the cost records as per the provisions of Companies (Cost Records and Audit) Rules 2014, hence Clause (vi) of the Companies (Auditor's Report) order, 2015 are not applicable.
7. In respect of Statutory Dues:
 - a. According to the records of the Company, the Company is by and large regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities applicable to it.
 - b. During the year no amount is required to be transferred to the Investor Education and Protection Fund and hence clause (c) of clause (vii) of the Companies (Auditor's Report) Order, 2015 is not applicable.
8. The company has not incurred any cash losses during the financial year under review or in the immediately preceding financial year.
9. Based on our audit procedures and according to the information and explanation given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, banks and debenture holders.
10. As per the information and the explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
11. To the best of our knowledge and belief and according to the information and explanation given to us, no fresh term loans availed by the company during the year under audit.
12. According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the year.

**For M/s Raju S Narayan & Associates
Chartered Accountants
(FRN : 022592N)**

**Date : 30/05/2016
Place : Hyderabad**

**Raju S Narayan
Partner
Membership No.: 512105**