

SMVD POLY PACK LIMITED

71, B.R.B. BASU ROAD, BLOCK A-513, 5TH FLOOR
KOLKATA - 700 001, INDIA
PHONE : 91 33 2235 0460, 2235 4254, Cell : 91 9330866856
Fax : 91 33 2235 4254, E-mail : smvd513@gmail.com
Website : www.smvdpolypack.com
CIN : U25200WB2010PLC141483

Date: 09.06.2018

Ref: SMVD/SE/2018-19/13

**To,
The Secretary,
The National Stock Exchange of India Ltd.
Exchange Plaza, 5th Floor, Plot No. C/1,
G Block, Bandra Kurla Complex,
Bandra (E), Mumbai.**

Ref: Symbol – SMVD, Script – SMVD Poly Pack Limited

Dear Sir,

Sub : Reply to Clarification for Financial Results

In reference to the Clarification sought for Financial Results, kindly note as follows:

1. Financial results not submitted within 30 minutes from end of board meeting.

The Company has uploaded Quick Results on May 30, 2018 in Compliance with the SEBI (LODR) Regulations, 2015 but since the generation of OTP for uploading the results took longer than usual on account of system congestion hence the same could be seen delayed by a few minutes.

2. Standalone audited report not submitted - Audited report for the year ended 31-Mar-2018 to be submitted.

The Standalone audit report for the year ended 31st March, 2018 is attached.

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3. No Segment Reporting

The Company has only one Segment i.e. manufacturing of HDPE, PP Bags, fabrics & Tarpaulin hence the segment reporting is not applicable and the same would be stated by way of a note in the Financial Statements henceforth.

Kindly take the same on your records.

Thanking You,

Yours faithfully,
For SMVD Poly Pack Ltd.

Shikha Agarwal
Shikha Agarwal
Company Secretary



Encl: As above

Independent Auditor's Report

To the Members of
M/S. SMVD POLY PACK LIMITED
(Formerly known as SMVD Poly Pack Pvt. Ltd.)

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **M/S. SMVD POLY PACK LIMITED** ('the Company'), (formerly SMVD Poly Pack Pvt. Ltd.) which comprise the Balance Sheet as at 31 March 2018, 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.

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.

In conducting 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 thereunder.

We conducted our audit of the financial statements 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.

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, of the state of affairs of the Company as at 31 March, 2018 and its profit and its 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, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in Annexure "A", a statement on the matters specified in paragraphs 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.
 - (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.
 - (e) On the basis of written representations received from the directors as on 31 March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.



- (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, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. There were no pending litigations which would impact the financial position of the company.
 - ii. The Company did not have any long- term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **D. K. PARMANANDKA & CO.**
Chartered Accountants
(Firm's Registration No. 322388E)



D.K. Parmanandka

(Dilip Kumar Parmanandka)
Partner
(Membership No. : 056252)

Place: Kolkata
Date: 30.05.2018

Annexure A to the Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on Other Legal & Regulatory Requirements' section of our report of even date)

(i) In respect of the Company's fixed assets:

- (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets of the company have been physically verified by the management at reasonable intervals and no material discrepancies are reported to have been noticed on such verification.
- (c) As explained, the immovable properties as disclosed in the note no. 11 to the financial statements relating to fixed assets, comprises of Land, Factory Building and Office Building. Factory Building and Office Building has been constructed by the company on the land purchased by it. Title deed of land is in the name of the company and as explained, the construction of factory building and office building does not require registration and hence no title deed is available for same, the details of which is as under :-

Sl. No.	Particulars	Lease Hold / Free Hold	Gross Block	Accumulated Depreciation	Net Block
1.	Factory Building	Constructed on Free hold Land	49,982,199	8,308,364	41,673,835
2.	Office Building	Constructed on Free hold Land	4,680,062	400,072	4,279,990

- (ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on such physical verification.
- (iii) As informed the company during the year, has not granted any loans, secured or unsecured to companies, firms, LLPs or other parties covered in the register maintained under section 189 of the Companies Act. Accordingly clause (iii) (a) (b) and (c) of the Companies (Auditor's Report) Order, 2016 are not applicable and hence not commented upon.
- (iv) According to the information and explanation given to us, the company, during the year, has not granted any loans, or made any investments, or provided any guarantees or security under Section 185 and Section 186 of the Companies Act, 2013.
- (v) The Company has not accepted any deposits during the year under Section 73 to 76 or any other relevant provision of the Companies Act, 2013 and hence reporting under clause (v) of the CARO 2016 is not applicable.



- (vi) To the best of our information and according to the information and explanation given to us, the Central Government has not prescribed the maintenance of cost record under sub-section (1) of section 148 of the Companies Act, 2013 in respect of the operation carried out by the company.
- (vii) (a) According to the information and explanations given to us and the records of the company examined by us, in our opinion the company is generally been regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, Goods and Service Tax, Custom Duty, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
- (b) According to the information given to us and records of the company, there are no outstanding amount of income tax or sales tax or service tax or duty of custom or duty of excise or value added tax on account of any dispute.
- (viii) As per the books and records maintained by the company and according to the information and explanation give to us, the company has not defaulted in repayment of dues to financial institutions or bank. The company has not issued any debenture during the year.
- (ix) According to the information and explanations given to us, the Company raised money by way of initial public offer of equity shares during the year. The Company has used the money raised by way of initial public offer of equity shares and terms loans during the year for the purpose for which they were raised.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the company and no material fraud on the company by its officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanations given to us and based on our examination of the records of the company, the company has paid/ provided for managerial remuneration in accordance with requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion, considering the nature of activities carried on by the company, the provision of any special statute applicable to the Nidhi Company are not applicable to the company and hence reporting under clause (xii) of CARO 2016 is not applicable.
- (xiii) According to the information and explanation given to us and according to books and records as produced and examined by us, all the transaction with the related parties are in compliance with section 177 and 188 of the companies Act, 2013 where applicable and details have been disclosed in the financial statements, as required under Accounting Standards (AS) 18, Related Party Disclosure specified under Section 133 of the Act.
- (xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence reporting under Clause (xiv) of CARO 2016 is not applicable to the company.



- (xv) As per the books and records maintained by the company and produced before us the company has not entered into any non-cash transaction with directors or persons connected with him, hence the provisions of Section 192 of the companies Act, 2013 are not applicable.
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **D. K. PARMANANDKA & CO.**

Chartered Accountants

(Firm's Registration No. 322388E)



D.K. Parmanandka

(Dilip Kumar Parmanandka)

Partner

(Membership No. : 056252)

Place: Kolkata

Date: 30.05.2018

Annexure B to the Independent Auditor's Report

(Referred to in paragraph 2(f) under 'Report on Other Legal & Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting 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 **M/S. SMVD POLY PACK LIMITED** ("the Company") as of 31 March 2018 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 the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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



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

Meaning of Internal Financial Controls over Financial Reporting

The 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 the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, and to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **D. K. PARMANANDKA & CO.**

Chartered Accountants

(Firm's Registration No. 322388E)



D. K. Parmanandka

(Dilip Kumar Parmanandka)

Partner

(Membership No. : 056252)

Place: Kolkata

Date: 30.05.2018