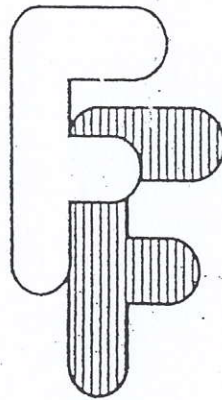


23<sup>rd</sup>

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ANNUAL REPORT 2015 – 2016



Fancy Fittings Limited

## DIRECTORS' REPORT

To,  
The Members  
FANCY FITTINGS LIMITED

Your Directors present the Twenty Third Annual Report and Audited Financial Statements of the Company for the year ended 31st March 2016.

### FINANCIAL RESULTS

Particulars	Current Year ended 31.03.2016	Previous Year ended 31.03.2015
	(Rs. in Lac)	
Sales Turnover & Other Income	9176.20	9979.85
Profit/(Loss) before Depreciation, Finance Cost and Taxation	705.73	716.00
Less/(Add) : Finance Cost	389.84	368.39
Less/(Add) : Depreciation & Amortisation	275.91	276.84
Profit/(Loss) before Taxation	39.98	70.77
Less/(Add) : Provision for Taxation		
- Current	7.15	15.00
- Deferred	11.00	34.63
- Short/(Excess) provision of tax for earlier years	11.41	10.61
Profit/(Loss) after Taxation	10.42	10.53
Add: Balance as per Balance Sheet b/f	2483.29	2501.02
Less: Appropriations		
- Asset written off on a/c of expired useful life	2.76	28.26
- Dividend	--	--
- Dividend Tax	--	--
- Transfer to General Reserve	--	--
Balance c/fd to the Balance Sheet	2490.95	2483.29

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

### DIVIDEND

In order to conserve resources for working capital requirements of the Company, the Board has not recommended any dividend for the year under consideration.

## **OPERATIONS**

The Company achieved total Turnover of Rs. 9130.54 Lac during the year under review, as against total Turnover of Rs. 9918.29 Lac during the previous year. Reduction in Turnover is mainly due to reduction in turnover of hanger business due to worldwide economic slow down. Profit after tax during the year was Rs. 10.42 Lac as against Rs. 10.53 Lac during the previous year. Your Directors are making constant endeavor to give improved performance of the Company by exploring new markets.

## **ISSUE OF EQUITY SHARES WITH DIFFERENTIAL VOTING RIGHTS OR SWEAT EQUITY SHARES, OFFERING OF ESOP AND BUY BACK OF SECURITIES**

The Company has not issued equity shares with differential voting rights or sweat equity shares. The Company has not offered any shares under Employee Stock Option Scheme. The Company has not bought back any of its securities during the year under review.

## **NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS & ITS COMMITTEES**

### **Board Meetings**

Seven Meetings of the Board of Directors of the Company were held during the year under consideration. The dates of the said Meetings are 05/04/2015, 15/05/2015, 05/08/2015, 01/09/2015, 23/12/2015, 30/12/2015 and 10/03/2016. The details of composition of the Board and attendance of Directors at the Board Meetings are given below :

<b>Name of the Directors</b>	<b>Number of meetings attended/number of meetings held during the tenure of 2015-16</b>
Mr. Jayant N. Parekh	7/7
Mrs. Nishita K. Shah	7/7
Mr. Anup K. Shah	3/7
Mr. Nimesh K. Sheth	5/7
Mr. Piyush C. Sampat	5/7
Mr. Nishit M. Dhruva	4/7

### **Audit Committee Meetings**

Two Audit Committee Meetings were held during the year under consideration. The dates of the said Meetings are 01/09/2015 and 10/03/2016. The details of composition of the Audit Committee and attendance of the Directors at the Audit Committee Meetings are given below :



Name of the Directors	Number of meetings attended/number of meetings held during the tenure of 2015-16
Mr. Nimesh K. Sheth	2/2
Mr. Piyush C. Sampat	2/2
Mr. Nishit M. Dhruva	2/2

### **Nomination & Remuneration Committee Meetings**

One Nomination & Remuneration Committee Meeting was held during the year under consideration on 01/09/2015. The details of composition of the Nomination & Remuneration Committee and attendance of the Directors at the Nomination & Remuneration Committee Meetings are given below :

Name of the Directors	Number of meetings attended/number of meetings held during the tenure of 2015-16
Mr. Nimesh K. Sheth	1/1
Mr. Piyush C. Sampat	1/1
Mr. Nishit M. Dhruva	1/1

### **DIRECTORS AND KEY MANAGEMENT PERSONNEL - APPOINTMENT & RESIGNATION**

Mr. Jayant N. Parekh was re-appointed as Managing Director for the period of 3 years with effect from 1st October, 2015.

Mr. Anup K. Shah, Director of the Company who retired by rotation, was re-appointed at the Annual General Meeting held on 30th September 2015.

Mrs. Nishita K. Shah, Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible offers herself for re-appointment.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013 :

- (a) that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (b) that the Directors have 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 the financial year and of the profit / loss of the Company for that period;

- (c) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) that the Directors have prepared the annual accounts on a going concern basis;
- (e) that the Company being an unlisted company, the clause as to internal financial controls is not applicable to the Company;
- (f) that the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **AUDITORS**

M/s. N. B. Parekh & Associates, Chartered Accountants (Firm Registration No. 115408W), were re-appointed as the Statutory Auditors of the Company to hold office from the conclusion of the Annual General Meeting (AGM) held on 30th September, 2014 until the conclusion of AGM of the Company to be held in the year 2017 (subject to ratification of their appointment by the members at every AGM held after the AGM held on 30th September, 2014).

As required under the provisions of Section 139(1) of the Companies Act, 2013, the Company has received a written consent from M/s. N. B. Parekh & Associates, Chartered Accountants, to their appointment and a Certificate, to the effect that their appointment, if made, would be in accordance with the Companies Act, 2013 and the Rules framed thereunder and that they satisfy the criteria provided in Section 141 of the Companies Act, 2013.

- The members are requested to ratify the appointment of the Statutory Auditors as aforesaid and fix their remuneration.

#### **AUDIT REPORT AND SECRETARIAL AUDIT REPORT**

The Audit Report for the year is self explanatory and therefore does not call for any further comment thereon except that the steps are being taken to make timely transfer of amounts to Investor Education & Protection Fund.

The provisions as to Secretarial Audit Report are not applicable to the Company.

## **INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS AND THEIR ADEQUACY**

Your Company has in place adequate internal financial controls with reference to financial statements, commensurate with the size, scale and complexity of its operations, which also ensures that all assets are safeguarded and transactions are authorized, recorded and reported correctly. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

## **RISK MANAGEMENT POLICY**

The Company has laid down procedures and informed the Board Members about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that executive management controls risk through means of a properly defined framework.

## **MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN END OF FINANCIAL YEAR AND DATE OF THIS REPORT**

There is no material change and commitment affecting the financial position of the Company which has occurred between end of the financial year under review and the date of this Report.

## **EXTRACT OF ANNUAL RETURN**

Pursuant to Sections 134(3)(a) and 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of the Annual Return in Form No. MGT 9 is attached herewith as **Annexure I** and forms part of this Report.

## **DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANIES**

The Company does not have any Subsidiary and Associate Company. The details of Joint Venture Company in Form AOC I is attached as **Annexure II**. The details are given to the extent available as the Joint Venture Company is not doing any business for many years and the Company is not getting any data from the Joint Venture Partner in spite of repeated reminders.

## **PARTICULARS OF CONTRACT OR ARRANGEMENT WITH RELATED PARTIES**

There is no contract or arrangements made during the year with related parties which requires disclosure under Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014. Your Directors draw attention to Note No. 31 of the financial statements which sets out related party disclosures.



## **PARTICULARS OF LOANS, INVESTMENTS AND GUARANTEES BY THE COMPANY**

During the year under review there is no loan given, investment made, guarantee given or security provided by the Company covered under Section 186 of the Companies Act, 2013.

## **DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS**

No significant and material order has been passed by the regulators, courts and tribunals impacting the going concern status and the Company's operations in future.

## **CORPORATE SOCIAL RESPONSIBILITY**

The provisions of Section 135 regarding Corporate Social Responsibility are not applicable to the Company.

## **DEPOSITS**

During the year under review, the Company has not accepted any deposit covered under Chapter V of the Companies Act, 2013 (i.e. Acceptance of Deposits by Companies) read with the Companies (Acceptance of Deposits) Rules, 2014.

## **PARTICULARS OF EMPLOYEES**

None of employees, during the year under review or part of it, has drawn salary above the limits specified under the Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

## **ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

Particulars specified in Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is given in the **Annexure III** to this Report and forms part of this Report.

## **VIGIL MECHANISM**

As the Company has not accepted any deposits from public and not borrowed money from banks and public financial institutions in excess of Rs. 50 Crore, the provisions of Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 as to establishment of Vigil Mechanism, are not applicable to the Company.



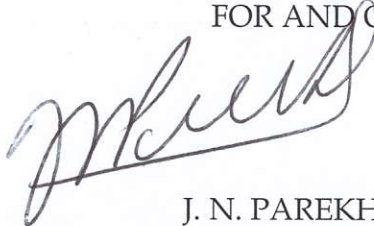
**DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE  
(PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013**

The Company is committed to provide a safe and conducive work environment to its employees. During the year under review, no case of sexual harassment was reported.

**ACKNOWLEDGMENT**

Your Directors would like to place on record their deep sense of gratitude to Bankers, Government Authorities and Shareholders.

FOR AND ON BEHALF OF THE BOARD



J. N. PAREKH



N. K. SHAH

Mumbai, 1st September, 2016    MANAGING DIRECTOR    WHOLETIME DIRECTOR

**FORM NO. MGT 9**  
**EXTRACT OF ANNUAL RETURN**  
**(As on the Financial Year ended on 31st March 2016)**  
*Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Companies*  
*(Management and Administration) Rules, 2014.*

**I REGISTRATION & OTHER DETAILS OF THE COMPANY:**

i	CIN	U74999MH1993PLC070323
ii	Registration Date	06/01/1993
iii	Name of the Company	FANCY FITTINGS LIMITED
iv	Category / Sub-Category of the Company	Company Limited by Shares / Indian Non-Govt. Co.
v	Address of the Registered office & Contact details	145/259, Minerva Industrial Estate, Sewri Bunder Road, Sewri (East), Mumbai - 400015.  Tel. No. : 022-61389900 E-mail : info@fancyfittings.com
vi	Whether listed company	No
vii	Name, Address and Contact details of Registrar & Transfer Agent, if any	Link Intime India Pvt. Ltd C-13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (West), Mumbai - 400079. Tel. No. : 022-25946970 E-mail : sujata.poojary@linkintime.co.in

**II. PRINCIPAL BUSINESS ACTIVITY 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	Manufacture of Plastic Products	25	99.22%
2			
3			

**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
1	Fancy Fittings Pty. Ltd.		Associate	50%	Sec 2(6)
2					

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	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	894,600	7,400	902,000	55.37	894,600	7,400	902,000	55.37	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A)(1):-</b>	<b>894,600</b>	<b>7,400</b>	<b>902,000</b>	<b>55.37</b>	<b>894,600</b>	<b>7,400</b>	<b>902,000</b>	<b>55.37</b>	<b>-</b>
<b>(2) Foreign</b>									
a) NRI - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A)(2):-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total shareholding of Promoter (A) = (A)(1) + (A)(2)</b>	<b>894,600</b>	<b>7,400</b>	<b>902,000</b>	<b>55.37</b>	<b>894,600</b>	<b>7,400</b>	<b>902,000</b>	<b>55.37</b>	<b>-</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	21,800	359,000	380,800	23.38	21,800	359,000	380,800	23.38	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	143,200	105,400	248,600	15.26	143,300	105,300	248,600	15.26	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	25,000	72,600	97,600	5.99	25,000	72,600	97,600	5.99	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(2):-</b>	<b>190,000</b>	<b>537,000</b>	<b>727,000</b>	<b>44.63</b>	<b>190,100</b>	<b>536,900</b>	<b>727,000</b>	<b>44.63</b>	<b>-</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>190,000</b>	<b>537,000</b>	<b>727,000</b>	<b>44.63</b>	<b>190,100</b>	<b>536,900</b>	<b>727,000</b>	<b>44.63</b>	<b>-</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>									
	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>1,084,600</b>	<b>544,400</b>	<b>1,629,000</b>	<b>100.00</b>	<b>1,084,700</b>	<b>544,300</b>	<b>1,629,000</b>	<b>100.00</b>	<b>-</b>



ii Shareholding of Promoters (including Promoter Group)

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% 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	Jayant N. Parekh / Rupam J. Parekh	591,900	36.34	-	591,900	36.34	-	-
2	Nishita K. Shah	302,000	18.54	-	302,000	18.54	-	-
3	Anup K. Shah / Amita A. Shah	500	0.03	-	500	0.03	-	-
4	Riddhi K. Shah / Nishita K. Shah	200	0.01	-	200	0.01	-	-
5	Rupam J. Parekh / Jayant N. Parekh	5,400	0.33	-	5,400	0.33	-	-
6	Vinodini N. Parekh	2,000	0.12	-	2,000	0.12	-	-
	<b>TOTAL</b>	<b>902,000</b>	<b>55.37</b>	<b>-</b>	<b>902,000</b>	<b>55.37</b>	<b>-</b>	<b>-</b>

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

Sl. No. I - _____		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
At the beginning of the year					
Increase / Decrease during the year					
Date	Reason for Increase / Decrease				
At the end of the year					

Sl. No. II - _____		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
At the beginning of the year					
Increase / Decrease during the year					
Date	Reason for Increase / Decrease				
At the end of the year					

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

Sl. No. I - N. H. Securities Limited		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
At the beginning of the year		274,000	16.82		
Increase / Decrease during the year					
Date	Reason for Increase / Decrease				
		0	0.00	274,000	16.82
At the end of the year (or on the date of separation, if separated during the year)		274,000	16.82		

Sl. No. II - Nishith Atulbhai Shah	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
At the beginning of the year	72,600	4.46		
Increase / Decrease during the year				
Date	Reason for Increase / Decrease			
	0	0.00	72,600	4.46
At the end of the year (or on the date of separation, if separated during the year)	72,600	4.46		

Sl. No. III - Lloyds Securities Ltd.	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
At the beginning of the year	69,200	4.25		
Increase / Decrease during the year				
Date	Reason for Increase / Decrease			
	0	0.00	69,200	4.25
At the end of the year (or on the date of separation, if separated during the year)	69,200	4.25		

Sl. No. IV - Zain Exim Pvt. Ltd.	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
At the beginning of the year	17,000	1.04		
Increase / Decrease during the year				
Date	Reason for Increase / Decrease			
	0	0.00	17,000	1.04
At the end of the year (or on the date of separation, if separated during the year)	17,000	1.04		

Sl. No. V - Jayantilal C. Shah / Arun J. Shah	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
At the beginning of the year	13,000	0.80		
Increase / Decrease during the year				
Date	Reason for Increase / Decrease			
	0	0.00	13,000	0.80
At the end of the year (or on the date of separation, if separated during the year)	13,000	0.80		

Sl. No. VI - Sushila J. Parekh	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
At the beginning of the year	12,000	0.74		
Increase / Decrease during the year				
Date	Reason for Increase / Decrease			
	0	0.00	12,000	0.74
At the end of the year (or on the date of separation, if separated during the year)	12,000	0.74		

Sl. No. VII - Nalini D. Parekh	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
At the beginning of the year	10,000	0.61		
Increase / Decrease during the year				
Date	Reason for Increase / Decrease			
	0	0.00	10,000	0.61
At the end of the year (or on the date of separation, if separated during the year)	10,000	0.61		



Sl. No. VIII - Kalpana K. Shah/ Rahul K. Shah/ Nimisha K. Shah	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
At the beginning of the year	10,000	0.61		
Increase / Decrease during the year				
Date	Reason for Increase / Decrease			
	0	0.00	10,000	0.61
At the end of the year (or on the date of separation, if separated during	10,000	0.61		

Sl. No. IX - CFL Capital Financial Services Ltd.	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
At the beginning of the year	8,900	0.55		
Increase / Decrease during the year				
Date	Reason for Increase / Decrease			
	0	0.00	8,900	0.55
At the end of the year (or on the date of separation, if separated during the year)	8,900	0.55		

Sl. No. X - Jasvantlal C. Parekh		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
At the beginning of the year		8,000	0.49		
Increase / Decrease during the year					
Date	Reason for Increase / Decrease				
	Demat Transfer	(8,000)	(0.49)	0	0.00
At the end of the year (or on the date of separation, if separated during the year)		0	0.00		

Sl. No. XI - Bimal Jasvantlal Parekh		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
At the beginning of the year		0	0.00		
Increase / Decrease during the year					
Date	Reason for Increase / Decrease				
	Demat Transfer	8,000	0.49	8,000	0.49
At the end of the year (or on the date of separation, if separated during the year)		8,000	0.49		

Sl. No. I - Mr. Jayant N. Parekh	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
At the beginning of the year	591,900	36.34		
Increase / Decrease during the year				
Date	Reason for Increase / Decrease			
	0	0.00	591,900	36.34
At the end of the year	591,900	36.34		

Sl. No. II - Nishita K. Shah	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
At the beginning of the year	302,000	18.54		
Increase / Decrease during the year				
Date	Reason for Increase / Decrease			
	0	0.00	302,000	18.54
At the end of the year	302,000	18.54		

Sl. No. III - Anup K. Shah	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
At the beginning of the year	500	0.03		
Increase / Decrease during the year				
Date	Reason for Increase / Decrease			
	0	0.00	500	0.03
At the end of the year	500	0.03		

Sl. No. IV - Nimesh K. Sheth	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
At the beginning of the year	5,800	0.36		
Increase / Decrease during the year				
Date	Reason for Increase / Decrease			
	0	0.00	5,800	0.36
At the end of the year	5,800	0.36		

Sl. No. V - Piyush C. Sampat	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
At the beginning of the year	500	0.03		
Increase / Decrease during the year				
Date	Reason for Increase / Decrease			
	0	0.00	500	0.03
At the end of the year	500	0.03		

## V INDEBTEDNESS

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

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	222728019	5919099	0	228647118
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	222728019	5919099	0	228647118
<b>Change in Indebtedness during the</b>				
* Addition	4488504			4488504
* Reduction		3273529		3273529
<b>Net Change</b>	4488504	-3273529	0	1214975
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	227216523	2645570	0	229862093
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	227216523	2645570	0	229862093



# VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
		Jayant N. Parekh	Nishita K. Shah			
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3,225,000	1,800,000			5,025,000
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961					
	(c) Profits in lieu of salary under section 17(3) of the Income- tax Act, 1961					
2	Stock Option					
3	Sweat Equity					
4	Commission					
	- as % of profit					
	- others, specify					
5	Others, please specify					
	Total (A)	3,225,000	1,800,000			5,025,000
	Ceiling as per the Act					

## B. Remuneration to other directors: NIL

Sl. no.	Particulars of Remuneration	Name of Directors				Total Amount
1	<b>Independent Directors</b>					
	Fee for attending board committee meetings					
	Commission					
	Others, please specify					
	Total (1)					
2	<b>Other Non-Executive</b>					
	Fee for attending board committee meetings					
	Commission					
	Others, please specify					
	Total (2)					
	Total (B)=(1+2)					
	Total Managerial Remuneration					
	Overall Ceiling as per the Act					

- C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/MTD :  
Not Applicable

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961				
2	Stock Option				
3	Sweat Equity				
4	Commission				
	- as % of profit				
	- others, specify...				
5	Others, please specify				
	Total				

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

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)
<b>A. COMPANY</b>					
Penalty					
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment					
Compounding					

*[Handwritten signature]*

## ANNEXURE II

### Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

#### Statement containing salient features of the Financial Statement of Subsidiaries/Associate Companies/Joint Ventures

##### Part "A": Subsidiaries

Note: The Company has no Subsidiary Company, therefore Part A relating to Subsidiary is not applicable.

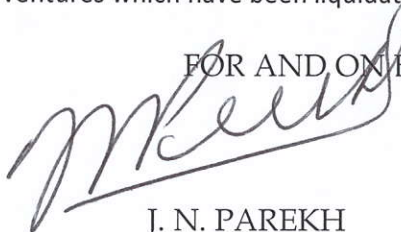
##### Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies  
and Joint Ventures

	Name of Associate / Joint Venture	Fancy Fittings Pty. Ltd.
1.	Latest audited Balance Sheet Date	
2.	Shares of Associate/Joint Ventures held by the company on the year end	
	Number	50000 Equity Shares
	Amount of Investment in Associates/Joint Venture	Equity Rs. 317400/- Loans Rs. 4206250/-
	Extend of Holding %	50%
3.	Description of how there is significant influence	Control of more than twenty per cent of total share capital
4.	Reason why the associate/ joint venture is not consolidated	Absence of data from the Joint Venture Partner
5.	Net worth attributable to Shareholding as per latest audited Balance Sheet	
6.	Profit / Loss for the year	

1. Names of associates or joint ventures which are yet to commence operations – Not Applicable  
2. Names of associates or joint ventures which have been liquidated or sold during the year – Not Applicable

FOR AND ON BEHALF OF THE BOARD



J. N. PAREKH



N. K. SHAH

Mumbai, 1st September, 2016      MANAGING DIRECTOR      WHOLETIME DIRECTOR



## ANNEXURE III

### CONSERVATION OF ENERGY TECHNOLOGY ABSORPTION FOREIGN EXCHANGE EARNING AND OUTGO

#### **(A) Conservation of Energy:**

##### **i. Steps taken or impact on conservation of energy :**

There is a continuous and systematic effort to optimise energy consumption and cost at Plant through evaluation of performance and modernisation and upgradation of equipments, best practices and instrumentation. Through implementation of energy conservation measures as above, there has been energy saving, though exact amount of saving could not be quantified. The implementation of energy conservation measures has also resulted in reduction in cost of production.

##### **ii. Steps taken by the Company for utilizing alternate sources of energy :**

Alternative sources of energy is being explored and evaluated. The initial efforts include the evaluation of right type of energy alternative and its suitability for replacing some of the low energy consuming utility (ex. Lightings).

##### **iii the capital investment on energy conservation equipments**

The capital investment will be derived based on the alternative energy feasibility evaluation.

#### **(B) Technology Absorption**

##### **(i) Efforts made towards Technology Absorption**

- The Company has adopted and absorbed the indigenous technology which has been in existence and in use throughout the plastic industry.

##### **(ii) Benefits derived as a result of the above**

- Improvement in sales and productivity.

##### **(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) - N. A.**

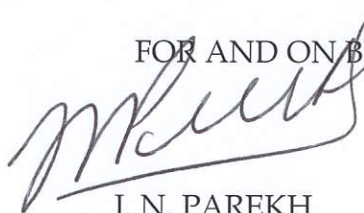
##### **(iv) the expenditure incurred on Research and Development**

- No separate records of the expenditure incurred on R & D as such is maintained.

(C) Foreign Exchange Earning and Outgo.

	(Rs. in Lacs)	
	Year ended 31 <sup>st</sup> March 2016	Year ended 31 <sup>st</sup> March 2015
Foreign Exchange Earnings	5552.09	6100.05
Value of Imports (CIF)	2685.22	2882.92
Expenditure in Foreign currency	46.24	33.29

FOR AND ON BEHALF OF THE BOARD



J. N. PAREKH



N. K. SHAH

Mumbai, 1st September, 2016

MANAGING DIRECTOR

WHOLETIME DIRECTOR



**N.B. PAREKH & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

*Mrs. Namrata Bhavin Parekh*  
**B. COM., F.C.A., GRAD.C.W.A.**

A-16, Arihant, Owner's Colony,  
Near ONGC Colony,  
Vidyavihar (East),  
Mumbai-400077.  
Mobile: 9324006314  
Tel.: 21024569/25029702  
Fax: 91 - 22 - 21025692

**INDEPENDENT AUDITORS' REPORT**  
**TO THE MEMBERS OF FANCY FITTINGS LIMITED**

**Report on the financial statements**

We have audited the accompanying financial statements of **FANCY FITTINGS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

**Management's responsibility for the 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 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 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 thereunder.

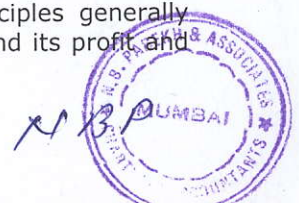
We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance 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 controls 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 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 March 31, 2016, 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 the 'Annexure 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) The aforesaid 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 March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 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 operative effectiveness of such controls, refer to our separate report in "Annexure B" to this report; and
  - (g) With respect to the other matters to be included in the Auditors' 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 impact of the pending litigation on its financial position in its financial statements (Refer Note 27 to the Financial Statements);
    - ii. The Company did not have any outstanding long-term contracts including derivative contracts as at March 31, 2016 for which there were any material foreseeable losses; and
    - iii. There was delay in transfer of unpaid / unclaimed dividend of Rs. 5,250/- for the year 2007-08 to the Investor Education and Protection Fund by the Company.

For **N. B. PAREKH & ASSOCIATES** ,  
Chartered Accountants  
Firm Registration No. : 115408W

*N. B. Parekh*

N. B. Parekh  
Proprietor

M. No. : 46873

Place: Mumbai  
Date : 1<sup>st</sup> September, 2016



**ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT**

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

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets  
(b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.  
(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) As explained to us, the inventories were physically verified during the year at reasonable intervals and no material discrepancies were noticed on physical verification
- (iii) According to the information and explanations provided by the management, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Act. Accordingly, sub-clause (a), (b) and (c) are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the investment made.
- (v) The Company has not accepted any deposits from the public.
- (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 Act.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues which were in arrears as at 31 March 2016 for a period of more than six months from the date they became payable.
- (b) According to the records of the Company, there are no dues in respect of provident Fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, Value Added Tax, duty of Customs, Duty of Excise, Cess and other material statutory dues which have not been deposited on account of any dispute except as under:.

Amount Rs.	Period to which the amount relates	Forum where dispute is pending	Particulars
65,21,884	April 2007 to March 2008	Deputy Commissioner of Commercial Tax Appeal-V, Surat	Sales Tax
1,08,72,614	April 2006 to September 2012	Commissioner(Appeals), Central Excise, Customs & S.Tax, Daman	Central Excise Matters
30,51,213	A.Y. 2012-13	Commissioner of Income Tax (Appeals)-3	Income Tax Matters
2,04,45,711			





- (viii) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing to any bank as at the balance sheet date. The Company does not have any loans or borrowings from any financial institution, government or debenture holders during the year.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. The term loans have been applied for the purposes for which it were raised.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, clause (xii) of paragraph 3 of the Order is not applicable
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause (xiv) of paragraph 3 of the Order is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, during the year the Company has not entered into non-cash transactions with its directors or persons connected with them and hence provision of section 192 of the Act 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 **N. B. PAREKH & ASSOCIATES** ,  
Chartered Accountants  
Firm Registration No. : 115408W

*N B Parekh*

**N. B. Parekh**  
Proprietor

M. No. : 46873

Place: Mumbai

Date :1<sup>st</sup> September, 2016





**Annexure - B TO THE INDEPENDENT AUDITORS' REPORT**

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 **FANCY FITTINGS LIMITED** ("the Company") as of 31 March 2016 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 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 auditors' 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**

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 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, 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 2016, 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 **N. B. PAREKH & ASSOCIATES** ,  
Chartered Accountants  
Firm Registration No. : 115408W

*N B Parekh*

N. B. Parekh  
Proprietor

M. No. : 46873

Place: Mumbai  
Date : 1<sup>st</sup> September, 2016





# FANCY FITTINGS LIMITED

## BALANCE SHEET AS AT 31ST MARCH, 2016

	Note No.	31st March 2016	31st March 2015
<b>EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDER'S FUNDS</b>			
Share capital	2	16,290,000	16,290,000
Reserves and surplus	3	294,256,674	293,491,328
		<b>310,546,674</b>	<b>309,781,328</b>
<b>NON - CURRENT LIABILITIES</b>			
Long-term borrowings	4	34,427,599	42,114,920
Deferred tax liabilities (net)	5	27,782,874	26,682,784
		<b>62,210,473</b>	<b>68,797,704</b>
<b>CURRENT LIABILITIES</b>			
Short-term borrowings	6	195,434,494	186,532,198
Trade payables	7	152,982,047	181,253,848
Other current liabilities	8	15,225,962	14,630,583
Short-term provisions	9	30,544,440	28,782,443
		<b>394,186,943</b>	<b>411,199,072</b>
<b>TOTAL</b>		<b>766,944,089</b>	<b>789,778,105</b>
<b>ASSETS</b>			
<b>NON - CURRENT ASSETS</b>			
Fixed assets	10	265,698,012	246,998,595
Tangible assets		-	-
Intangible assets		-	-
Capital work-in-progress		19,557,285	20,885,123
		<b>285,255,297</b>	<b>267,883,718</b>
Non-Current investments	11	6,497,640	10,830,333
		<b>291,752,937</b>	<b>278,714,052</b>
<b>CURRENT ASSETS</b>			
Inventories	12	231,942,619	254,876,870
Trade receivables	13	128,641,099	134,589,416
Cash and cash equivalents	14	23,854,979	24,786,052
Short-term loans and advances	15	81,020,264	82,635,870
Other current assets	16	9,732,191	14,175,845
		<b>475,191,152</b>	<b>511,064,053</b>
<b>TOTAL</b>		<b>766,944,089</b>	<b>789,778,105</b>

The notes are an integral part of these financial statements.

This is the Balance Sheet referred to in our report of even date.

For N. B. PAREKH & ASSOCIATES  
Chartered Accountants  
Firm Registration No. : 115408W

*N B Parekh*

N. B. PAREKH  
Proprietor

M. No. : 46873

Mumbai, 1st September, 2016



*J. N. Parekh*  
J. N. PAREKH  
Chairman & Managing Director

*Nishita K Shah*  
Nishita K Shah  
Wholetime Director

Mumbai, 1st September, 2016



# FANCY FITTINGS LIMITED

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2016

	Note No.	31st March 2016	31st March 2015
<b>REVENUE</b>			
Revenue from operations (net)	17	915,564,107	996,759,494
Other income	18	2,056,165	1,225,839
<b>TOTAL REVENUE</b>		<b>917,620,272</b>	<b>997,985,333</b>
<b>EXPENSES</b>			
Cost of materials consumed	19	548,400,765	651,196,697
Purchases of stock-in-trade	20	6,809,007	4,876,791
Changes in inventories of finished goods, work-in-progress and stock-in-trade	21	2,270,038	(9,896,314)
Employee benefits expense	22	134,334,646	111,483,487
Finance costs	23	38,984,653	36,839,457
Depreciation and amortisation expense	10	27,591,028	27,683,665
Other expenses	24	155,232,580	168,724,892
<b>TOTAL EXPENSES</b>		<b>913,622,717</b>	<b>990,908,675</b>
<b>PROFIT BEFORE TAXATION</b>		<b>3,997,555</b>	<b>7,076,658</b>
<b>Tax expense:</b>			
Current tax expense		715,000	1,500,000
(Excess)/Short Provision of Tax relating to Earlier Years		1,141,047	1,060,772
Deferred tax credit		1,100,090	3,462,897
		<b>2,956,137</b>	<b>6,023,669</b>
<b>NET PROFIT FOR THE YEAR</b>		<b>1,041,418</b>	<b>1,052,989</b>
<b>BASIC EARNINGS PER SHARE ( Nominal Value Rs. 10 Per Share)</b>		<b>0.64</b>	<b>0.65</b>
<b>DILUTED EARNINGS PER SHARE ( Nominal Value Rs. 10 Per Share)</b>		<b>0.64</b>	<b>0.65</b>

The notes are an integral part of these financial statements.

This is the Statement of Profit & Loss referred to in our report of even date.

For N. B. PAREKH & ASSOCIATES  
Chartered Accountants  
Firm Registration No. : 115408W

*N B Parekh*

N. B. PAREKH  
Proprietor  
M. No. : 46873  
Mumbai, 1st September, 2016



*J. N. Parekh*  
J. N. PAREKH  
Chairman & Managing Director

*Nishita K Shah*  
Nishita K Shah  
Wholetime Director

Mumbai, 1st September, 2016

**FANCY FITTINGS LIMITED**

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2016

	Year ended on 31-03-2016	Year ended on 31-03-2015
	Rs.	Rs.
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net profit before tax and extraordinary items:	3,997,555	7,076,658
Adjustments for:		
Depreciation	27,591,028	27,683,665
Interest(Net)	31,044,256	35,803,503
Keyman Insurance Policy Surrender value	-	-
Loss(profit) on Fixed Assets Sold/Scrapped (Net)	(639,811)	109,021
Profit on Sale of Investments	(667,182)	-
Dividend Income	(151,000)	(270,000)
Exchange Rate Difference	893,323	453,532
	<b>58,070,614</b>	<b>63,779,722</b>
Operating Profit before Working Capital changes	<b>62,068,170</b>	<b>70,856,380</b>
Adjustments for:		
Trade & Other receivable	1,258,008	32,491,030
Inventories	22,934,251	(7,327,986)
Trade Payables	(18,322,260)	(26,986,487)
Exchange Rate Difference	(893,323)	(453,532)
Cash generated from operations	<b>67,044,845</b>	<b>68,579,404</b>
Interest(Net)	(31,044,256)	(35,803,503)
Direct Taxes paid	(3,024,604)	(618,260)
Net cash from operating activities	<b>32,975,985</b>	<b>32,157,641</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Acquisition of Fixed Assets	(42,264,575)	(43,552,893)
Ammortisation of Trademark & Goodwill / Sale of Fixed Assets	1,991,667	925,000
Keyman Insurance Policy Surrender value	-	-
Sale of Investments	4,999,876	-
Dividend Income	151,000	270,000
Net cash used in investing activities	<b>(35,122,032)</b>	<b>(42,357,893)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Proceeds from issue of Share Capital	-	-
Increase in Long Term Borrowings	1,214,974	(2,724,635)
Dividend and tax thereon paid	-	-
Net cash from financing activities	<b>1,214,974</b>	<b>(2,724,635)</b>
NET INCREASE (DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)	<b>(931,073)</b>	<b>(12,924,886)</b>
Cash and Cash equivalents as at 01.04.2015 (Opening Balance)	24,786,052	37,710,939
Cash and Cash equivalents as at 31.03.2016 (Closing Balance)	<b>23,854,979</b>	<b>24,786,053</b>

**Notes:**

1. The Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard 3 "Cash Flow Statements" issued by the Institute of Chartered Accountants of India.

2. Previous years' figures have been re-grouped and re-arranged wherever necessary.

This is the Cash Flow Statement referred to in our report of even date.

For N. B. PAREKH & ASSOCIATES  
Chartered Accountants  
Firm Registration No. : 115408W

*N B Parekh*

N. B. PAREKH  
Proprietor  
M. No. : 46873  
Mumbai, 1st September, 2016  
Proprietor  
M. No. 46873



Mumbai, 1st September, 2016

*[Signature]*  
For and on behalf of the Board  
J. N. PAREKH  
Chairman & Managing Director

*[Signature]*  
Nishita K Shah  
Wholetime Director

Mumbai, 1st September, 2016



## NOTES TO THE FINANCIAL STATEMENTS

### 1 SIGNIFICANT ACCOUNTING POLICIES

#### (a) Basis of Preparation of Financial Statements

- i) The financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting in accordance with the accounting principles generally accepted in India ('Indian GAAP') and comply with the Accounting standards prescribed in the Companies (Accounting Standards) Rules, 2006 which continue to apply under Section 133 of the Companies Act, 2013 ('the Act') read with rule 7 of the Companies (Accounts) Rules, 2014 and other relevant provisions of the Act, to the extent applicable. All figures, unless otherwise stated, are Rupees in lacs.
- ii) The Company generally follows mercantile system of accounting and recognizes income and expenditure on accrual basis.
- iii) All the assets and liabilities have been classified as current or non current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalent, the Company has ascertained the operating cycle to be 12 months.

#### (b) Revenue Recognition

##### i) Sales

Sales are net of excise duties, discounts, sales returns, shortages in transit and credits given for price adjustment. Export Sales are accounted on FOB Value basis.

##### ii) Interest

Interest Income is recognized on time proportion basis taking into account the amount outstanding and the rate applicable

#### (c) Tangible Assets

- i) Tangible assets are stated at historical cost of acquisition or construction, which includes all expenses up to commissioning/putting the assets into use and excludes modvat / cenvat, unless any asset is revalued. Adjustments arising from exchange rate variations relating to borrowings attributable to fixed assets are capitalized.
- ii) Losses arising from the retirement of and gains or losses arising from disposal of tangible assets which are carried at cost are recognized in the Statement of Profit and Loss.
- iii) The expenditure relating to project in progress and the cost incurred or advances given for fixed assets, the construction / installation / acquisition of which are not completed are included under the head Capital Work-in-Progress and the same are related / classified / allocated to the respective assets on their completion.





(d) **Depreciation**

Depreciation on Tangible Assets including revalued assets is provided on Straight Line Method at the rates and in the manner specified in Schedule II to the Companies Act, 2013 adopting the useful life prescribed by it. Depreciation is charged on pro-rata basis on assets acquired/disposed off during the year.

(e) **Amortization of Trademark and Goodwill**

Keeping in view the AS 26 in respect of amortization of intangible assets like Goodwill and Trademark, there is no value on account of Goodwill and Trademark which is remaining to be amortized during the year ended 31<sup>st</sup> March, 2016.

(f) **Borrowing Costs**

Borrowing Costs directly attributable to the acquisition or construction of qualifying assets are capitalized as part of the costs of the assets, up to the date the asset is ready for their intended use. All other borrowing costs are recognized in Statement of Profit and Loss in the year in which they are incurred.

(g) **Investments**

Investments that are readily realizable and are intended to be held for not more than one year from the date, on which such investment are made are classified as current investments. All other investments are classified as long term investments. Current investments are carried at cost or fair value, whichever is lower. Long term Investments are valued at cost of acquisition. Temporary diminution in the value of investments meant to be held for a long period of time is not recognized.

(h) **Inventories**

- i) Raw Materials, Stores, Spare Parts and Packing Materials are valued at cost or net realizable value, whichever is lower, computed on FIFO basis.
- ii) Goods in transit are stated at cost incurred up to the date of Balance Sheet.
- iii) Finished Goods and Work-in-Progress are valued at cost or net realizable value, whichever is lower. The cost of Finished Goods and Work-in-Progress is arrived on absorption cost basis.

(i) **Foreign Currency Transactions**

- i) All transactions in foreign currency, are recorded at the rates of exchange prevailing on the dates when the relevant transactions take place.
- ii) Monetary assets and liabilities in foreign currency, outstanding at the close of the year, are converted in Indian currency at the appropriate rates of exchange prevailing on the date of the Balance Sheet. Resultant gain or loss, except to the extent it relates to long term monetary items, is recognized in the statement of profit and loss for the year. Gain or loss relating to long term foreign currency monetary items for financing acquisition of depreciable capital assets, is adjusted to the acquisition cost of such assets and depreciated over its remaining useful life.
- iii) At the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.





iv) **Forward Exchange Contracts.**

- The premium or discount arising at the inception of the forward exchange contracts entered into to hedge an existing assets/liability, is amortized as expense or income over the life of the contract. Exchange differences on such contract in the recognized in the Statement of profit and loss in the reporting period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such a forward exchange contract are recognized as income or expense for the period.
- Forward exchange contracts outstanding as at the year end on account of firm commitment/ highly probable forecast transactions are marked to market and the losses. If any, are recognized in the Statement of Profit and Loss and gains are ignored in announcement of the Institute of Chartered Accountants of India on 'Accounting for Derivatives'.

(j) **Prior Period Adjustments**

Income and Expenditure pertaining to prior period have been accounted under respective head under Profit & Loss Account. However, net effect of such amount, where material, is disclosed separately in Notes to accounts.

(k) **Employee Benefits**

i) **Gratuity**

The Company has covered it's liability towards employees' gratuity under Employees Group Gratuity Assurance Scheme of Life Insurance Corporation of India (LIC). The Company accordingly pays the premium to LIC and accounts for the same. Contributions for provident fund are charged to the Profit & Loss Account based on contributions made in terms of the applicable scheme. The additional provision for Gratuity payable as per the actuarial valuation is also provided in the books of account. The company provides for value of unutilized leave, if any, due to employees at the end of the year.

ii) **Provident Fund**

Contribution towards provident fund for certain employees is made to the regulatory authorities, where the company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the company does not carry any further obligations, apart from the contributions made on a monthly basis.

(l) **Current & Deferred Tax**

- Tax Expense for the period, comprising Current Tax and Deferred Tax are included in the net profit or loss for the period
- Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in India.
- Deferred Tax is recognized for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized



- Deferred Tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the Company re-assesses unrecognized deferred tax assets, if any.

(m) **Cash and Cash Equivalents**

In the cash flow statements, cash and cash equivalents includes cash on hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

(n) **Provisions, Contingent Liabilities and Contingent Assets**

i) **Provisions**

- Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation.

ii) **Contingent Liabilities**

- Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only on the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

(o) **Earnings Per Share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for the events, such as bonus share, other than conversion of potential equity share, that have changed the number of equity shares outstanding, without a corresponding change in resources. 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.





## 2 SHARE CAPITAL

	No. of Shares	31st March 2016	31st March 2015
<b>AUTHORISED</b>			
Equity shares of Rs.10/- each	1,998,000	19,980,000	19,980,000
11% Non-cumulative Redeemable preference shares of Rs.10/- each	2,000	20,000	20,000
		<u>20,000,000</u>	<u>20,000,000</u>
<b>ISSUED, SUBSCRIBED AND FULLY PAID-UP</b>			
Equity shares of Rs.10/- each	1,629,000	16,290,000	16,290,000
(Out of the above 6,00,000 Equity Shares were issued as Fully Paid Bonus Shares by capitalisation of Revaluation Reserve)			

a) The reconciliation of the number of shares outstanding and the amount of share capital

	31st March 2016		31st March 2015	
	No. of Shares	Amount Rs.	No. of Shares	Amount Rs.
Balance at the beginning of the year	1,629,000	16,290,000	1,629,000	16,290,000
Balance at the end of the year	<u>1,629,000</u>	<u>16,290,000</u>	<u>1,629,000</u>	<u>16,290,000</u>

b) The details of shareholders holding more than 5% shares

Class of shares / Name of shareholder	31st March 2016		31st March 2015	
	No. of Share held	% of Share held	No. of Share held	% of Share held
1.Mr. Jayant Navinchandra Parekh/Mrs. Rupam Jayant Parekh	591,900	36.34%	591,900	36.34%
2.Smt. Nishita Kirit Shah.	302,000	18.54%	302,000	18.54%
3. N.H.Securities Ltd.	274,000	16.82%	274,000	16.82%

c) Terms/Rights attached to Shares

The Company has only one class of shares i.e. Equity Shares having a par value of Rs. 10/-. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

## 3 RESERVES AND SURPLUS

	31st March 2016	31st March 2015
<b>Securities premium account</b>		
Opening balance	12,870,000	12,870,000
Closing balance	<u>12,870,000</u>	<u>12,870,000</u>
<b>General reserve</b>		
Opening balance	32,292,000	32,292,000
Add: Transferred from surplus in Statement of Profit and Loss	-	-
Less: Utilised / transferred during the year for:		
Closing balance	<u>32,292,000</u>	<u>32,292,000</u>
<b>Surplus / (Deficit) in Statement of Profit and Loss</b>		
Opening balance	248,329,328	250,102,341
Less: Assets written off on a/c of expired useful life	276,076	2,825,998
Add: Profit / (Loss) for the year	1,041,422	1,052,986
Amount available for Appropriation	249,094,674	248,329,328
Less: Dividends proposed to be distributed to equity shareholders	-	-
Tax on dividend	-	-
Transferred to General reserve	-	-
Closing balance	<u>249,094,674</u>	<u>248,329,328</u>
<b>Balance at the end of the year</b>	<u>294,256,674</u>	<u>293,491,328</u>

## 4 LONG TERM BORROWINGS

	31st March 2016	31st March 2015
<b>Secured (Refer Note Below)</b>		
Term Loans		
Rupee Term Loan - Banks	16,211,291	26,143,414
Rupee Term Loan - Others	15,570,738	10,052,407
<b>Unsecured</b>		
Unsecured from others	2,645,570	5,919,099
	<u>34,427,599</u>	<u>42,114,920</u>



Note: Terms of Borrowing

Nature of Security	Original Amount of Borrowing in Rs.	Tenor at inception (in years)	Terms of Repayment	Month in which last installment is due	Repayment schedule installments	31st March 2016	31st March 2015	Pre-vailing interest rate p.a.
HDFC BANK LTD. - CAR LOAN	656,000	3 years	EMI	Jul-18	21,320	527,454	-	10.50%
BMW FINANCIAL SERVICES INDIA	4,400,000	3 years	EMI	Aug-16	138,198	676,649	2,203,990	10.00%
ICICI BANK LTD.- CAR LOAN	2,050,000	3 years	EMI	Apr-17	66,342	806,043	1,475,080	10.82%
STATE BANK OF INDIA - CAR LOAN	751,000	3 years	EMI	Dec-15	23,848	Repaid	206,884	8.91%
STATE BANK OF INDIA - CORPORATE LOAN	40,000,000	4 years	EMI	Sep-18	833,334	26,127,060	35,337,367	13.20%
SIEMENS FINANCIAL SERVICES LTD.	13,200,000	3 years	EMI	Mar-18	447,946	9,375,760	13,200,000	13.50%
KOTAK MAHINDRA PRIME LTD. - CAR LOAN	2,008,600	3 years	EMI	May-18	66,400	1,539,912	-	11.70%
BAJAJ FINANCE LTD.	10,010,000	15 years	EMI	Sep-31	106,957	9,985,626	-	10.16%
L & T FINANCE LTD. - MACHINERY	3,282,038	3 years	EMI	Sep-15	111,806	Repaid	653,454	13.75%
L & T FINANCE LTD. - MACHINERY	2,250,573	3 years	EMI	Oct-15	76,669	Repaid	518,794	13.75%
Sub Total						49,038,504	53,595,569	
Less : Current Maturities of Long Term Debt						17,256,475	17,399,748	
Total						31,782,029	36,195,821	



NB



**5 DEFERRED TAX LIABILITIES (NET)**

	31st March 2016	31st March 2015
<b>Deferred Tax Liabilities</b>		
Difference between book and tax depreciation	27,782,874	26,682,784
	<u>27,782,874</u>	<u>26,682,784</u>

**6 SHORT TERM BORROWINGS**

	31st March 2016	31st March 2015
<b>Secured</b>		
From Banks		
Working Capital Borrowing repayable on demand	178,178,019	169,132,450
Current Maturities of Long Term Debt		
Rupee Term Loan	17,256,475	17,399,748
	<u>195,434,494</u>	<u>186,532,198</u>

Note : Secured Working capital borrowings, Rupee Term Loans and Buyer Import Credit for Raw Materials are secured by way of hypothecation of Inventories, Book debts, Receivables, Land & Building and Plant & Machinery, both present and future.

All Working Capital Borrowings, Rupee Term Loans carry an average Interest Rate of 12.75% p.a

**7 TRADE PAYABLES**

	31st March 2016	31st March 2015
Total outstanding dues of creditors Under Micro and Small Enterprises ( Refer Note Below )	-	-
Total outstanding dues of creditors other than Micro and Small Enterprises	152,982,047	181,253,848
	<u>152,982,047</u>	<u>181,253,848</u>

Note:- Based on the information available with the company, there are no suppliers who are registered under the Micro, Small and Medium Enterprises Development Act, 2006 as at 31st March 2016. Hence the information as required under the Micro, Small and Medium Enterprises Development Act, 2006 is not disclosed.

**8 OTHER CURRENT LIABILITIES**

	31st March 2016	31st March 2015
Unpaid Dividends	21,200	38,960
Other Payables for:		
Excise Duty on Finished Goods (Net)	2,840,702	3,982,600
Statutory Liabilities	8,760,907	6,976,283
Others	3,603,153	3,632,740
	<u>15,225,962</u>	<u>14,630,583</u>

**9 SHORT TERM PROVISIONS**

	31st March 2016	31st March 2015
Provision for employee benefits:		
Provision for bonus	5,597,529	4,554,775
Provision for gratuity	5,289,733	3,512,967
Others	9,965,174	9,172,575
	<u>20,852,436</u>	<u>17,240,317</u>
Provision - Others:		
Provision for tax	715,000	1,500,000
Provision for proposed equity dividend	-	-
Provision for tax on proposed dividends	-	-
Provision - others	8,977,004	10,042,126
	<u>9,692,004</u>	<u>11,542,126</u>
<b>Total</b>	<u><b>30,544,440</b></u>	<u><b>28,782,443</b></u>

**10 FIXED ASSETS as per separate statement.**

**11 NON CURRENT INVESTMENTS**

	No. of Shares	FV	31st March 2016	31st March 2015
Other Current Investments				
Investment in equity instruments				
- of joint venture companies				
Fancy Fittings Pty Ltd.	50,000	S.A Rand 1	317,400	317,400
- of other entities				
Dhanush Techonologies Ltd.	51,000	10	3,000,000	3,000,000
India Bulls Housing Finance Ltd.	7,000	2	-	4,332,693
Cinerad Communications Ltd	2,000	10	60,000	60,000
Kothari Petro Ltd	25,000	10	2,112,242	2,112,242
Investment in government or trust securities				
government securities				
Kisan Vikas Patra			15,000	15,000
Investment in mutual funds				
SBI Infrastructure Fund - Series I	50,000	10	500,000	500,000
SBI Smart ULIP Plan			300,000	300,000
Other investments				
Membership with Prestige Holiday Pvt. Ltd			192,998	192,998
			<b>6,497,640</b>	<b>10,830,333</b>

Aggregate Value of Unquoted Investments - at cost

1,325,398 1,325,398

Aggregate Value of Quoted Investments - at cost  
- at market value5,172,242 9,504,935  
483,630 4,218,460**12 INVENTORIES**

	31st March 2016	31st March 2015
Raw Materials	64,006,971	87,500,178
Stock-in-Process	116,967,307	114,132,372
Finished Goods	40,928,853	46,033,826
Stores, Spares and Packing Material	10,039,488	7,210,495
	<b>231,942,619</b>	<b>254,876,870</b>

**13 TRADE RECEIVABLES**

(Unsecured Considered Good)

	31st March 2016	31st March 2015
Outstanding for a period exceeding Six months from the date they are due for payment	10,747,556	17,378,848
Others	117,893,543	117,210,568
	<b>128,641,099</b>	<b>134,589,416</b>

**14 CASH AND BANK BALANCES**

Cash and Cash Equivalents

Cash on Hand

Bank Balance

In Current Accounts

	31st March 2016	31st March 2015
Cash on Hand	3,924,951	3,791,223
Bank Balance	7,408,244	4,852,155
In Current Accounts	<b>11,333,195</b>	<b>8,643,378</b>

Other Bank Balances

Deposit Accounts maturing within 12 months

Unpaid Dividend

Margin Money Deposits

Deposit Accounts maturing within 12 months	991,290	988,590
Unpaid Dividend	61,610	76,572
Margin Money Deposits	11,468,884	15,077,512

Total

**23,854,979** **24,786,052****15 SHORT TERM LOANS AND ADVANCES**

(Unsecured Considered Good)

To Related Parties

Fancy Fittings Pty. Ltd

Other Loans and Advances

	31st March 2016	31st March 2015
To Related Parties		
Fancy Fittings Pty. Ltd	4,206,250	4,206,250
Other Loans and Advances	76,814,014	78,429,620
	<b>81,020,264</b>	<b>82,635,870</b>

**16 OTHER CURRENT ASSETS**

(Unsecured Considered Good)

CENVAT Credit Receivable

VAT Credit Receivable

Others

	31st March 2016	31st March 2015
CENVAT Credit Receivable	7,902,214	12,345,868
VAT Credit Receivable	1,129,977	1,129,977
Others	700,000	700,000
	<b>9,732,191</b>	<b>14,175,845</b>





**17 REVENUE FROM OPERATIONS**

	31st March 2016	31st March 2015
<b>Sale of Products (Refer Note 2 Below)</b>		
Finished Goods	905,432,205	987,041,956
Traded Goods	7,167,376	4,593,519
Labour Charges Received	454,678	193,485
<b>Other Operating Revenue</b>		
Scrap Sales	404,952	462,618
Duty Drawback	1,973,289	2,526,461
Profit on Sale of Dies & Moulds	131,607	1,941,455
<b>Revenue from Operations (Net)</b>	<b>915,564,107</b>	<b>996,759,494</b>

Note 1: Excise Duty on Sales (above turnover is net of excise duty) 43,791,729 47,174,056

Note 2: Details of Sale of Products

Particulars	31st March 2016	31st March 2015
Hangers	165,721,473	222,541,133
Luggage Fittings	232,793,642	250,210,784
Toys	27,536,403	23,210,936
IKEA Consumer Goods	451,545,562	466,365,399
Consumables	27,211,639	13,748,692
Furniture Parts	623,486	10,844,226
Others	-	120,786
	<b>905,432,205</b>	<b>987,041,956</b>

**18 OTHER INCOME**

	31st March 2016	31st March 2015
Interest Income on Bank FD / Deposits	1,491,496	1,409,371
Dividend received on Non Current Investments (Trade)	151,000	270,000
Profit on Sale of Assets	639,811	-
Profit on Foreign Currency Transactions and Translation	(893,324)	(453,532)
Profit on sale of shares	667,182	-
	<b>2,056,165</b>	<b>1,225,839</b>

**19 COST OF MATERIALS CONSUMED**

	31st March 2016	31st March 2015
<b>RAW MATERIALS CONSUMED</b>		
Opening Stock	87,500,178	91,248,906
Add: Purchases	524,907,558	647,447,969
Less: Closing Stock	64,006,971	87,500,178
<b>Net Cost of Materials Consumed</b>	<b>548,400,765</b>	<b>651,196,697</b>

**20 PURCHASE OF STOCK IN TRADE**

- Purchase of Traded Goods	6,809,007	4,876,791
	<b>6,809,007</b>	<b>4,876,791</b>

**21 CHANGES IN INVENTORIES OF FINISHED GOODS AND STOCK IN PROCESS**

	31st March 2016	31st March 2015
<b>Closing Stock</b>		
Finished Goods	40,928,853	46,033,826
Stock-in-Process	116,967,307	114,132,372
	<b>157,896,160</b>	<b>160,166,198</b>
<b>Less: Opening Stock</b>		
Finished Goods	46,033,826	47,180,068
Stock-in-Process	114,132,372	103,089,816
	<b>160,166,198</b>	<b>150,269,884</b>
<b>Less: Increase / (Decrease) in Excise Duty on Stocks (Increase)/Decrease in Stocks</b>	<b>2,270,038</b>	<b>(9,896,314)</b>

**22 EMPLOYEE BENEFITS EXPENSE**

	31st March 2016	31st March 2015
Salaries, Wages and Bonus	124,855,194	103,591,691
Contribution to Provident and Other Funds( Refer Note 25)	7,925,698	6,470,859
Workers and Staff Welfare Expenses	1,070,814	914,238
PF Administration Charges	482,940	506,699
	<b>134,334,646</b>	<b>111,483,487</b>

**23 FINANCE COST**

	31st March 2016	31st March 2015
Interest Expense	32,098,537	30,432,274
Other Borrowing Costs	6,886,116	6,407,183
	<b>38,984,653</b>	<b>36,839,457</b>

**24 OTHER EXPENSES**

	31st March 2016	31st March 2015
<b>Stores, Spare Parts and Packing Material Consumed</b>		
Opening Stock	7,210,494	6,030,094
Add:- Purchases	53,786,708	54,971,816
Less:- Closing Stock	10,039,488	7,210,494
	<b>50,957,714</b>	<b>53,791,416</b>
Job Work Charges Paid	10,934,676	14,080,181
Power & Fuel	35,150,831	35,755,548
Repacking Division Expenses	16,800	106,338
Factory Overheads	4,823,381	4,367,620
Selling & Distribution	17,235,850	22,649,966
Repairs & Maintenance	11,259,425	13,331,658
Travelling & Conveyance	5,516,289	5,438,133
Other Administration Expenses	18,795,179	18,581,554
Rates & Taxes	154,858	78,524
Payment to Auditors		
As Audit Fees		
For Statutory Audit and Limited Reviews	175,000	175,000
For Tax Audit	75,000	75,000
For Other Services	100,000	100,000
Loss on Sale of Assets	-	109,021
Other Expenses	37,577	84,933
	<b>155,232,580</b>	<b>168,724,892</b>



## 25 DISCLOSURE IN ACCORDANCE WITH REVISED AS-15 ON "EMPLOYEES BENEFITS"

### a) Defined Contribution Plans

The Company has recognised the following amounts in the statement of Profit and Loss for the year:

Particulars	31st March 2016	31st March 2015
Employer's Contribution to PF	6,389,410	5,082,415
Employer's Contribution to ESIC	1,536,288	1,388,444
	<b>7,925,698</b>	<b>6,470,859</b>

### b) Defined Benefit Plans - Gratuity

The present value of obligation of gratuity, as per actuarial valuation for the year ended on 31<sup>st</sup> March, 2016 is Rs.60,57,129/-. The present value of the fund which the Company has maintained under Employees' Group Gratuity Assurance Scheme of Life Insurance Corporation of India (LIC) is Rs. 7,67,396/-. The balance of Rs. 52,89,733/- has been provided in the Books of Account as per the provisions of AS-15 of the Institute of Chartered Accountants of India.

Details as Per AS-15

Table 1  
Background Information

Year Ending	31/03/2014	31/03/2015	31/03/2016
Discount Rate at the start of the period	9.00%	8%	7.86%
Expected rate of Return on plan assets	8%	8%	8%
Expected growth in compensation level	5.00%	5%	5%
Current Service Cost	386,221	522,983	617,572
Benefit paid	428,754	839,754	1,209,896
Contribution paid	320,473	1,297,391	913,665
Present value of Obligation at end of period	3,952,346	5,196,097	6,057,129
Present value of Assets at the end of period	1,053,025	1,683,130	767,396

Table 2  
Change in the Present value of the Benefit Obligations

Year Ending	31/03/2014	31/03/2015	31/03/2016
Projected benefit obligations, beginning of the period	3,570,064	3,952,346	5,196,097
Service Cost	386,221	522,983	617,572
Interest cost	285,605	355,711	415,688
Past service Cost	---	---	---
Actuarial (Gain)/ loss	137,210	1,204,811	1,037,668
On obligation	---	---	---
Benefit Paid	-428,754	-839,754	-1,209,896
Projected Benefit obligation, end of the year	3,952,346	5,196,097	6,057,129

Table 3  
Change in the Present value of PLAN Assets

Year Ending	31/03/2014	31/03/2015	31/03/2016
Fair value of Plan Assets at beginning of period	1,084,000	1,166,734*	1,683,190**
Expected return on plan Assets	86,720	93,339	134,655
Contribution	320,473	1,297,391	913,665
Past service Cost	---	---	---
Actuarial gain/ (loss) On plan assets	-11,414	-34,580	-754,218
Benefit Paid	-428,754	-839,754	-1,209,896
Fair value of plan Asset end of period	1,053,025	1,683,130	767,396

Note : \* Closing value of assets as at 31/3/2014 is 1,116,734/- with the new policy

\*\* Closing value of assets as at 31/3/2015 is Rs.322,882/- instead of Rs.322,822/- which totals to Rs.1,683,190/- instead of Rs.1,683,130/-

Table 4  
Amounts Recognized In the Balance Sheet

Year Ending	31/03/2014	31/03/2015	31/03/2016
Present Value of obligation at end of period	3,952,346	5,196,097	6,057,129
Present Value of Assets	1,053,025	1,683,130	767,396
Liability in Balance sheet	2,899,321	3,512,967	5,289,733

Table 5

Net Gains

Year Ending	31/03/2014	31/03/2015	31/03/2016
Actuarial Gain or loss on obligation	137,210	1,204,811	1,037,668
Actuarial Gain or loss on Plan assets	-11,414	-34,580	-754,218
Total Gain or loss	148,624	1,239,391	1,791,886

Table 6  
Expenses recognized in Statement of Profit & Loss

Year Ending	31/03/2014	31/03/2015	31/03/2016
Current service Cost	386,221	522,983	617,572
Interest Cost	285,605	355,711	415,688
Expected Return on Plan Assets	-86,720	-93,339	-134,655
Net Actuarial (gain)/ loss	148,624	1,239,391	1,791,886
Net Periodic Cost	733,730	2,024,746	2,690,491

Table 7  
Movement in net liability recognized in Balance Sheet

Year Ending	31/03/2014	31/03/2015	31/03/2016
Opening net liability	2,486,064	2,785,612*	3,512,907**
Expenses as above	733,730	2,024,746	2,690,491
Contributions Paid	-320,473	-1,297,391	-913,665
Closing net liability	2,899,321	3,512,967	5,289,733

Note\*: Closing balance as at 31/3/2014 would be Rs. 2,785,612 instead of 2,899,321, if the closing assets are Rs. 1,166,734/-

\*\*\* Closing Balance as at 31/3/2015 would be 3,512,907/- instead of Rs. 3,512,967/-

Table 8  
Present value of Obligation as Current and Non Current

Year Ending	31/03/2014	31/03/2015	31/03/2016
Current	114,565	227,032	438,780
Non Current	3,837,781	4,969,065	5,618,349
Total	3,952,346	5,196,097	6,057,129

Table-9  
Experience Adjustments

Period Ending	31/03/2014	31/03/2015	31/03/2016
Defined Benefit obligation at end of the period	3,952,346	5,196,097	6,057,129
Plan assets at the end of period	1,053,025	1,683,130	767,396
Funded Status	-2,899,321	-3,512,967	-5,289,733
Surplus/ (deficit)	---	---	---
Experience (gain)/loss adjustments on plan liabilities	714,006	570,792	825,231
Experience gain/(loss) adjustments on plan assets	-11,414	-34,580	-754,218





**26 CAPITAL COMMITMENTS**

No Capital Commitments are pending as at 31st March 2016.

**27 CONTINGENT LIABILITY IN RESPECT OF:**

Claims against the company not acknowledged as debts (to the extent not provided for) which are contested in appeals before various statutory authority.

	31st March 2016	31st March 2015
Sales-Tax Matters	6,521,884	6,521,884
Central Excise Matters	10,872,614	10,872,614
Income-Tax Matters (A.Y. 2012-13)	3,051,213	3,051,213
	<u>20,445,711</u>	<u>20,445,711</u>

**28 EARNINGS PER SHARE (EPS)**

Weighted average number of shares at the beginning and end of the year	1,629,000	1,629,000
Net Profit after Tax available for Equity Shareholders	1,041,418	1,052,989
Basic & Diluted Earning per Share (Rs.) (Nominal Value - Rs. 10/- per Share)	0.64	0.65

**29 REVALUATION OF ASSETS**

The Company has revalued Plant & Machinery on 30.06.1994 by Rs. 60 Lacs on the basis of current replacement cost of these assets as per Valuation Report by a Government Approved Valuer.

**30 SEGMENT REPORTING**

The Company is operating in a single segment of Plastic Moulded Articles.

**31 RELATED PARTY RELATIONSHIPS**

(As identified by the Management and where transactions exist)

**(i) Related Party Relationships****(a) Key Management Personnel**

Mr. Jayant N. Parekh  
Mrs. Nishita K Shah

Managing Director  
Whole time Director

**(b) Other Related Parties**

Zipper (India) Pvt. Ltd.  
Apeksha Plastic Products Pvt. Ltd.  
Fancy Fittings Pty. Ltd.  
Mirang J. Parekh  
Mrs. Amita A. Shah  
Ms. Riddhi K. Shah

**(ii) Transactions with Related Parties**

Name	Nature of Transaction	2016		2015	
		Volume of Transaction (Rs. in Lacs)	Outstanding as on 31.03.16 (Rs. in Lacs)	Volume of Transaction (Rs. in Lacs)	Outstanding as on 31.03.15 (Rs. in Lacs)
Mr. Jayant N. Parekh	Remuneration	32.25	2.62 Cr.	28.50	0.00 Cr.
	Loan Received	11.36	11.36 Cr.	83.75	48.98 Cr.
Mrs. Nishita K Shah	Remuneration	18.00	0.85 Cr.	13.86	0.09 Cr.
	Loan Received	4.88	4.88 Cr.	0.00	0.00 Cr.
Zipper India Pvt. Ltd.	Rent paid	1.08	2.76 Cr.	1.08	2.48 Cr.
Apeksha Plastic Products Pvt. Ltd.	Loan Received	NIL	4.21 Cr.	NIL	4.21 Cr.
Fancy Fittings Pty. Ltd.	Loan Given	NIL	42.06 Dr.	NIL	42.06 Dr.
Mirang J. Parekh	Salary	6.25	0.63 Cr.	6.25	0.65 Cr.
Amita A. Shah	Remuneration	0.60	0.05 Cr.	0.60	0.05 Cr.
Riddhi K. Shah	Stipend/Salary	2.65	0.29 Cr.	2.59	0.29 Cr.

**32 ADDITIONAL INFORMATION PURSUANT TO THE PROVISIONS 3 AND 4 OF PART II OF SCHEDULE VI TO THE COMPANIES ACT 1956****a) Consumption of Raw Materials :**

Particulars of Raw Materials

	2015-16 Rs. In Lacs	2014-15 Rs. In Lacs
Polymer Granules	4261.85	5357.36
Other Items	1222.16	1154.61
Cost of Goods Traded	68.09	48.77
	<u>5552.10</u>	<u>6560.74</u>

**b) Value of Materials consumed and Percentage thereof:**

	Consumption (Rs. in Lacs)					
	Total Value of Consumption		Imported		Indigenous	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
Raw Materials	5484.01	6511.97	3002.20	2927.77	2481.81	3584.20
Stores, Spares and Packing Material	509.58	537.91	0.00	0.00	509.58	537.91
	<u>5993.58</u>	<u>7049.88</u>	<u>3002.20</u>	<u>2927.77</u>	<u>2991.38</u>	<u>4122.11</u>
Percentage in Total Consumption						
Raw Materials			54.74%	44.96%	45.26%	55.04%
Stores, Spares and Packing Material			0.00%	0.00%	100.00%	100.00%



	2015-16 (Rs.in Lacs)	2014-15 (Rs.in Lacs)
c) C.I.F. value of imports (excluding high seas purchases)		
- Capital Goods	33.31	29.36
- Raw Materials	2651.91	2853.56
- Other Purchases for Trading	NIL	NIL
	2685.22	2882.92
d) Expenditure in foreign currency		
- Travelling	25.06	8.10
- Marketing Service Charges	5.03	10.76
Product Testing Charges	9.23	11.06
- Others	6.92	3.37
	46.24	33.29
e) Earnings in foreign currency (excluding deemed exports)		
- FOB Value of Exports made during the year	5552.09	6100.05

33 Previous Year's figures have been regrouped / rearranged wherever necessary.

For N. B. PAREKH & ASSOCIATES  
Chartered Accountants  
Firm Registration No. : 115408W

*N B Parekh*  
N. B. PAREKH  
Proprietor  
M. No. : 46873  
Mumbai, 1st September, 2016



*J. N. Parekh*  
J. N. PAREKH  
Chairman & Managing Director

*Nishita K Shah*  
Nishita K Shah  
Wholetime Director

Mumbai, 1st September, 2016



SCHEDULE '10':  
FIXED ASSETS

	GROSS BLOCK			DEPRECIATION				Less: On Deduction	Depreciation Upto 31/03/2016	NET BLOCK	
	Gross Block As on 01/04/2015	Additions during the year	Deduction during the year	Gross Block as on 31/03/2016	Depreciation Upto 31/03/2015	Written off during the year				For the Year	As on 31/03/2016
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Description of Assets	Leasehold Land	14,023,831.00	-	-	14,023,831.00	-	-	-	-	14,023,831.00	14,023,831.00
	Freehold Land	2,406,179.00	-	-	2,406,179.00	-	-	-	-	2,406,179.00	2,406,179.00
	Banglore property	1,466,720.00	-	-	1,466,720.00	-	-	-	-	1,466,720.00	1,466,720.00
	Buildings	88,449,227.00	14,158,935.00	-	102,608,162.00	26,074,153.00	-	2,768,559.00	-	28,842,712.00	73,765,450.00
	Plant & Machinery	240,370,802.00	20,698,447.00	13,582,862.00	247,486,387.00	137,322,412.00	196,907.00	17,907,980.00	12,715,947.00	142,711,352.00	104,775,035.00
	Dies & Moulds	148,229,619.00	9,826,845.00	85,000.00	157,971,464.00	97,343,986.00	-	4,703,434.00	13,708.00	102,033,712.00	55,937,752.00
Furniture & Fixtures	9,122,830.00	216,936.00	320,814.00	9,018,952.00	7,337,633.00	44,904.00	264,120.00	291,523.00	7,355,134.00	1,663,818.00	1,785,197.00
	Vehicles	17,333,534.00	3,598,965.00	2,409,067.00	18,523,432.00	6,325,963.00	34,265.00	1,946,935.00	1,442,958.00	6,864,205.00	11,659,227.00
Trade Mark	-	-	-	-	-	-	-	-	-	-	-
Goodwill	-	-	-	-	-	-	-	-	-	-	-
TOTAL Rs.	521,402,742.00	48,500,128.00	16,397,743.00	553,505,127.00	274,404,147.00	276,076.00	27,591,028.00	14,464,136.00	287,807,115.00	265,698,012.00	246,998,595.00
PREVIOUS YEAR Rs.	489,887,273.00	34,598,603.00	3,083,134.00	521,402,742.00	245,943,599.00	2,825,998.00	27,683,665.00	2,049,115.00	274,404,147.00	246,998,595.00	243,943,674.00

NOTES: 1. The Company has revalued Plant & Machinery on 30.06.1994 by Rs. 60 Lacs on the basis of current replacement cost of these assets as per Valuation Report by a Government Approved Valuer.

