

DFL FABRICS PVT. LTD.

DFL FABRICS

SHRI RAMAUTAR S. JHAWAR
SHRI MAHES
SHRI VINOD

PVT. LTD.

MANAGERS

EQYAK MAHINDRA BANK LTD.

CIN NO : - U51109MH2008PTC186271

AUDITORS
R. SONI & Co.

Chartered Accountants

REGISTERED OFFICE

MANPADA ROAD, BHOPAR VILLAGE,

DOMBIVLI (EAST).

8th Annual Report

2015 - 2016

DFL FABRICS PVT. LTD.

Notice is hereby given that the Eighth Annual General Meeting of DFL Fabrics Private Limited will be held at the Registered Office of the Company at Manpada Road, Bhopar Village, Dombivli (East), Thane - 421 204, Maharashtra on Saturday, 17th September, 2016 at 12.15 P.M. to transact the following business:

ORDINARY BUSINESS

BOARD OF DIRECTORS

- To consider and approve the Eighth Annual General Meeting Report 2016 and the Statement of Profit & Loss and Balance Sheet for the year ended 31st March 2016 and the Report of the Auditors thereon.
- Appointment of Auditors for the year 2016-17.

SHRI RAMAUTAR S. JHAWAR
SHRI MAHESH S. JHAWAR
SHRI. VINOD S. JHAWAR

To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution:

BANKERS

KOTAK MAHINDRA BANK LTD.

AUDITORS

R. SONI & Co.

Chartered Accountants

REGISTERED OFFICE

MANPADA ROAD, BHOPAR VILLAGE,

DOMBIVLI (EAST),

DIST THANE. (MAHARASHTRA) 421 204.

NOTICE

Notice is hereby given that the Eighth Annual General Meeting of **DFL Fabrics Private Limited** will be held at the Registered Office of the Company at Manpada Road, Bhopar Village, Dombivli (East), Thane - 421 204, Maharashtra on Saturday, 17th September, 2016 at 12.15 P.M. to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Balance Sheet as at 31st March 2016 and the Statement of Profit & Loss for the year ended on that date and the Reports of the Directors & the Auditors thereon.
2. Appointment of Auditors

To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution:

"Resolved that pursuant to the provisions of section 139,142 and other applicable provisions if any of the Companies Act, 2013 and the Rules framed there under, as amended from time to time, M/s R. Soni & Co., Chartered Accountants (Firm Registration No. 130349W), be and is hereby reappointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the 9th AGM of the Company to be held in year 2017 (subject to ratification of their appointment at every AGM), at such remuneration plus service tax, out-of-pocket, travelling and living expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors."

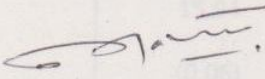
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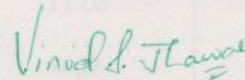
(1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND, ON A POLL, TO VOTE INSTEAD OF HIMSELF/ HERSELF, SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.

(2) The Proxies in order to be valid, shall be deposited at the registered office of the Company at least 48 hours before the annual general meeting.

By order of the Board of Directors

Place: Mumbai
Date: 30th May 2016


Mahesh S. Jhavar
Director


Vinod S. Jhavar
Director

Regd. Office:
Manpada Road,
Bhopar Village,
Dombivli (East),
Thane -421 204

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting this Eighth Annual report on the affairs of the Company together with the Audited Statement of Accounts for the year ended on 31st March, 2016.

1. Financial Summary or performance of the company:

(Rs in Lakhs)

PARTICULARS	YEAR ENDED	YEAR ENDED
	31.03.2016	31.03.2015
Sales for the year	285.21	553.61
Other Income	45.81	22.74
Total Income	331.02	576.35
Profit before Depreciation and Taxation	50.78	37.53
Less: Depreciation	1.61	1.61
Profit before Taxation	49.17	35.92
Less : Provision for Taxation		
Current Tax	15.94	11.08
Deferred Tax	(0.06)	0.02
Profit after Taxation	33.29	24.82
Add: Balance brought forward	64.91	40.09
Profit available for appropriation	98.20	64.91

2. Operations

The Company has reported total income of ₹331.02 Lacs for the current year as compared to ₹576.35 Lacs in the previous year. The Net Profit for the year under review amounted to ₹33.29 Lacs in the current year as compared to ₹24.82 Lacs in the previous year.

3. Transfer to reserves

The Company has not transferred any amount to reserves.

4. Dividend

Your directors regret their inability to recommend any dividend for financial period 2015-16.

5. Material Changes between the date of the Board report and end of financial year.

There have been no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

5. Significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future:

During the year under review there has been no such significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

Subsidiary Company:

As on March 31, 2016, the Company does not have any subsidiary.

6. Statutory Auditor & Audit Report:

M/s. R Soni & Co., Chartered Accountants, statutory auditors of the Company having registration number FRN No. 130349W hold office until the conclusion of the 9th Annual General Meeting subject to the ratification by the members at every general meeting. The Company has received a certificate from the statutory auditors to the effect that their re-appointment, if made, would be within the limits prescribed. The statutory auditors have also confirmed that they hold a valid certificate issued by the "Peer Review Board" of The Institute of Chartered Accountants of India.

There are no qualifications or observations or remarks made by the Auditors in their Report.

7. Change in the nature of business : There is no change in the nature of the business of the company

8. Details of directors or key managerial personnel;

Name of Director	Share Holding as on 01-04-2015	Share Holding as on 31-03-2016
Shri Ramautar S. Jhawar	Nil	Nil
Shri Mahesh S. Jhawar	10	10
Shri Vinod S. Jhawar	10	10

9. Deposits:

The Company has not invited/ accepted any deposits from the public during the year ended March 31, 2016. There were no unclaimed or unpaid deposits as on March 31, 2016.

10. Conservation of energy, technology absorption, foreign exchange earnings and outgo:

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, is annexed herewith as "Annexure A".

11. Corporate Social Responsibility:

The Company is not required to constitute a Corporate Social Responsibility Committee as it does not fall within purview of Section 135(1) of the Companies Act, 2013 and hence it is not required to formulate policy on corporate social responsibility.

12. Number of meeting of the Board:

During the year 2015-16, the Board of Directors met Four times viz. on 25th May, 2015; 12th August, 2014 (2) ; 3rd November, 2015; 6th February, 2016.

13. Directors' Responsibility Statement:

Pursuant to the requirement under section 134(3)(C) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

(i) in the preparation of the annual accounts for the financial year ended 31st March, 2016, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(ii) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2015 and of the profit and loss of the company for that period;

(iii) the directors had 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;

(iv) the directors had prepared the annual accounts on a going concern basis; and

(vi) 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.

14. Declaration by Independent Directors

The Company was not required to appoint Independent Directors under Section 149(4) and Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014 hence no declaration has been obtained.

15. Company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of section 178;

The Company, being a Private Limited Company was not required to constitute a Nomination and Remuneration Committee under Section 178(1) of the Companies Act, 2013 and Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Stakeholders Relationship Committee under Section 178(5) of the Companies Act, 2013.

17. Particulars of loans, guarantees or investments under section 186:

During the year under review, the Company has not advanced any loans/ given guarantees/ made investments.

18. Particulars of Employee:

None of the employee has received remuneration exceeding the limit as stated in rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

EXTRACT OF THE ANNUAL RETURN IN FORM MGT-9:

Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014 – **Annexed - B**

Related Party Transactions:

Particulars of contracts or arrangements with related parties referred to in sub-section (1) of section 188 in the form AOC-2: - **Annexed - C**

19. Acknowledgments:

Your Directors take this opportunity to place on record their appreciation and sincere gratitude to the Government of India, Government of Maharashtra, and the Bankers to the Company for their valuable support and look forward to their continued co-operation in the years to come.

Your Directors acknowledge the support and co-operation received from the employees and all those who have helped in the day to day management.

For and on behalf of the Board of Directors

Place: Mumbai

Dated: 30th May, 2016

Vinod S. Jhawar

Mahesh S. Jhawar

ANNEXURE – A

Information under Section 134(3)(m) of the Companies Act, 2013 read with rule 8(3) the Companies (Accounts) Rules, 2014 and forming part of the Report of the Directors

(A) Conservation of energy-

- (i) the steps taken or impact on conservation of energy: NIL
- (ii) the steps taken by the company for utilising alternate sources of energy: NIL
- (iii) the capital investment on energy conservation equipments: NIL

(B) Technology absorption-

- (i) the efforts made towards technology absorption: NIL
- (ii) the benefits derived like product improvement, cost reduction, product development or import substitution: NIL
- (iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- : NIL
- (iv) the expenditure incurred on Research and Development: NIL

(C) Foreign exchange earnings and Outgo-

(Rs in Lakhs)

Particulars	2015-2016	2014-2015
Total Foreign Exchange Received	Nil	Nil
Total Foreign Exchange used:	Nil	Nil

ANNEXURE- B

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2016

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company
(Management & Administration) Rules, 2014.

REGISTRATION & OTHER DETAILS:

i	CIN	U51109MH20082008PTC186271
ii	Registration Date	28/08/2008
iii	Name of the Company	DFL Fabrics Pvt Ltd
iv	Category/Sub-category of the Company	Private Ltd Company
v	Address of the Registered office & contact details	Manpada Road, Bhopar Village, Dombivli (East), Thane- 421 204. Maharashtra
vi	Whether listed company	No
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	Not Applicable

PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Trading of Textiles Fabric	1319	96.05

PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

Sl No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	Dhanlaxmi Fabrics Ltd	L17120MH1992PLC068861	Holding	Nil	2(46)
2	Dhanesh Fabrics Pvt Ltd	L17120MH1999PTC120739	Asociate	Nil	2(6)
3	Western Chlorides & Chemicals Pvt Ltd	U24100MH1970PTC014919	Asociate	Nil	2(6)
4	Dhalaxmi Cotex Ltd	L51100MH1987PLC042280	Asociate	NIL	2(6)
5	Sohanlal Export Fabrics Pvt Ltd	U17100MH1987PTC052567	Asociate	NIL	2(6)
6	Dhanlaxmi Export Fabric Pvt Ltd	U18101MH1991PTC062950	Asociate	NIL	2(6)
7	Promtech Impex Pvt Ltd	U74140MH1992PTC259947	Asociate	NIL	2(6)
8	MR Share Broking Pvt Ltd	U67120MH1999PTC122709	Asociate	NIL	2(6)
9	VRM Share Broking Pvt Ltd	U67120MH2000PTC125421	Asociate	NIL	2(6)

Annexure - C
FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

Details of contracts or arrangements or transactions not at Arm's length basis.

SL. No.	Particulars	Details
	Name (s) of the related party & nature of relationship	NIL
	Nature of contracts/arrangements/transaction	
	Duration of the contracts/arrangements/transaction	
	Salient terms of the contracts or arrangements or transaction including the value, if any	
	Justification for entering into such contracts or arrangements or transactions'	
	Date of approval by the Board	
	Amount paid as advances, if any	
	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
	Name (s) of the related party & nature of relationship	Nil
	Nature of contracts/arrangements/transaction	
	Duration of the contracts/arrangements/transaction	
	Salient terms of the contracts or arrangements or transaction including the value, if any	
	Date of approval by the Board	
	Amount paid as advances, if any	

Auditor's Responsibility

Form shall be signed by the people who have signed the Board's Report.

Independent Auditors' Report

To the Members of Dhanesh Fabrics Pvt Ltd

Report on the Financial Statements

We have audited the accompanying standalone financial statements of Dhanesh Fabrics Pvt Ltd ('the Company'), which comprise the balance sheet as at 31 March 2016, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the 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 and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 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, a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;

d. in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

e. on the basis of the written representations received from the directors as on 31 March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Act; and

f. Report on the Internal Financial Controls under Clause (1) of Sub-section 3 of section 143 of the companies Act, 2013 ("the Act")- refer to our separate report in Annexure B ;and

g. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :

i. the Company have no pending litigations.

ii. the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts. The Company does not have any derivative contract.

iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For R SONI & COMPANY
Chartered Accountants

Firm's: 130349W registration number

Rajesh Soni

Partner

Membership No.133240

Date- 28/05/2016

Mumbai



ANNEXURE A TO THE AUDITORS' REPORT

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

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed Assets.
(b) All the fixed assets were physically verified by the management during the year. We are informed that that no material discrepancies were noticed on such verification.
- (ii) (a) The Inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
(b) The procedure of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
(c) The Company is maintaining proper records of inventory. No material discrepancy was noticed on such verification.
- (iii) The Company does not hold any Inventory during the year hence clause (ii) is not applicable to the Company.
- (iii) (a) The Company has not granted loans to parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
Thus, paragraph (iii)(b) and (iii) (c) of the Order is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with provision of section 185 and 186 of Act , with respect to the loan and investment made.
- (v) The Company has not accepted any deposits from the public.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records, the Company is regular in depositing undisputed statutory dues including provident fund, income tax, service tax, cess and other material statutory dues with the appropriate authorities. As explained to us, the Company did not have any dues on account of sales tax, wealth tax, duty of customs, value added tax, employees' state insurance and duty of excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, service tax, cess and other material statutory dues 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 information and explanation given to us, there is no dispute pending in respect of dues of income tax/sales tax/wealth tax/service tax/custom duty/excise duty/cess

(viii) The Company did not have any outstanding dues to financial institutions, banks or debenture holders during the year

(ix) The company has not raised moneys by way of initial public offer or further public offer (including debt instrument) and term loans during the year.

(x) According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

(xi) According to the information and explanations given to us and based on our examination of the record of the Company, no managerial remuneration has been paid or provided

(xii) In our opinion and according to the information and explanations given to us, the company is not a nidhi company. Accordingly paragraph 3(xii) of Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the record of the Company, transactions with related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial statements as required by the applicable accounting standards.

(xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review .

(xv) According to the information and explanations given to us and based on our examination of the record of the Company, the company has not entered into any non-cash transactions with directors or persons connected with him.

(xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For R SONI & COMPANY

Chartered Accountants

Firm's registration number: 130349W

Rajesh Soni

Partner

Membership No.133240

Date- 28/05/2016

Mumbai



ANNEXURE B TO THE 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 Dhanesh Fabrics Pvt Ltd (The Company') as of 31-Mar-2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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 authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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-Mar-2016.

For R SONI & COMPANY

Chartered Accountants

Firm's registration number: 130349W

Rajesh Soni

Partner

Membership No.133240

Date- 28/05/2016

Mumbai



DFL FABRICS PVT.LTD.

Balance Sheet as at 31st March-2016.

(Amount in Rs.)

	Particulars	Note	As at 31/03/2016	As at 31/03/2015
A.	EQUITY AND LIABILITIES			
1	Shareholders funds			
	(a)Share Capital	1	100,000.00	100,000.00
	(b)Reserves and Surplus	2	9,819,811.49	6,491,001.04
	Total		9,919,811.49	6,591,001.04
2	Non-Current Liabilities			
	(a)Defered Tax Liability	3	18,492.00	24,314.00
	(b)Long-term Income Tax provisions	4	3,475,125.00	2,639,434.00
	Total		3,493,617.00	2,663,748.00
3	Current Liabilities			
	(a) Unsecured Loan	5	17,700,000.00	-
	(b)Trade Payable	6	751,456.00	21,743,090.00
	(c)Other current liabilities	7	1,987,227.28	32,773.28
	Total		20,438,683.28	21,775,863.28
	Total		33,852,111.77	31,030,612.32
B.	ASSETS			
1	Non-current assets			
	(a)Fixed Assets	8	862,184.00	1,022,616.00
	(b)Long-term loan and advances	9	18,677,834.00	24,233,205.14
	Total		19,540,018.00	25,255,821.14
2	Current Assets			
	(a)Inventories	10	5,550,981.79	181,025.93
	(b)Trade Receivable	11	745,269.00	1,790,419.00
	(c)Cash and cash equivalents	12	395,463.98	3,778,428.25
	(d)Short-term loan and advances	13	7,620,379.00	24,918.00
	Total		14,312,093.77	5,774,791.18
	Total		33,852,111.77	31,030,612.32
	Significant Accounting Policies			
	Notes on Financial Statements	1 to 19		

AS PER OUR REPORT OF EVEN DATE ATTACHED.

FOR ON BEHALF OF THE BOARD

For R Soni & Company
Chartered Accountants
FR NO. 130349W

Rajesh Soni
Partner M. No. 133240
Place : Mumbai
Date : 30th May 2016



(Signature)

Mahesh S.Jhawar
Director

(Signature)

Vinod S.Jhawar
Director

DFL FABRICS PVT.LTD.

Statement of profit & Loss for the Year ended 31st March-2016

(Amount in Rs.)

Particulars	Note	For the year ended 31 March,2016	For the year ended 31 March,2015
OPERATING OPERATIONS			
Revenue from operations			
Other income	14	28,521,538.56	55,360,929.10
Other revenue	15	4,580,600.29	2,274,543.86
		33,102,138.85	57,635,472.96
Expenses			
Purchase of stock in Trade			
Changes in Inventories of Stock in Trade	16	26,138,319.70	45,161,478.99
Employee benefits expenses	17	(2,172,938.67)	1,545,196.50
Finance Cost	18	358,460.00	577,396.00
Depreciation	19	1,156,438.00	-
Other Expenses	20	160,432.00	160,432.00
Total expenses	21	2,544,250.23	6,598,840.96
		28,184,961.26	54,043,344.45
Profit before tax		4,917,177.59	3,592,128.51
Other Expenses			
Current tax expenses for Current year			
Deferred Tax		1,525,230.00	1,108,068.00
Current tax expenses relating to prior year		(5,822.00)	1,898.00
Net tax expenses		68,959.14	-
		1,588,367.14	1,109,966.00
Profit for the year		3,328,810.45	2,482,162.51
Earning per equity share of face value of Rs.10/- each			
(a) Basic and Diluted		332.88	248.22
Significant Accounting Policies			
Notes on Financial Statements	1 to 21		

FOR OUR REPORT OF EVEN DATE ATTACHED.

R. Soni & Company
Chartered Accountants
C.O. NO. 130349W

Mahesh Soni
Member M. No. 133240
Mumbai
Date: 30th May 2016



FOR ON BEHALF OF THE BOARD

(Signature)
Mahesh S. Jhawar
Director

(Signature)
Vinod S. Jhawar
Director

DFL Fabric Pvt Ltd
Cash Flow Statement for the year ended 31 March, 2016

(Rs. in Lacs.)

Particulars	For the year ended	
	31 st March 2016	31 st March 2015
A. Cash flow from operating activities		
Profit (Loss) before extraordinary items and tax	49.17	36.52
Adjustments for:		
Depreciation and amortisation	1.60	1.60
Profit (-) Loss (+) on sale / write off of assets	-	-
Finance costs	-	-
Interest income	(43.04)	(19.89)
Rental Income from Investment Property	(41.44)	-
Operating profit / (loss) before working capital changes	7.73	17.63
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories (increase / decrease)	(53.70)	15.46
Trade and other receivables	(65.50)	21.93
Other non-current assets	55.55	(8.14)
Trade and other Payables	(190.37)	(29.84)
Cash generated from operations	(254.02)	(0.59)
Net income tax (paid) / refunds	(246.29)	17.04
	(15.94)	(11.08)
Net cash flow from / (used in) operating activities (A)	(262.23)	5.96
B. Cash flow from investing activities		
Purchase of fixed assets & sale (net off)	-	-
Sale of fixed assets	-	-
Interest received	43.04	19.89
Rental income from investment properties	-	-
Long Term Liabilities	-	-
Long term Provisions	8.36	11.33
Net cash flow from / (used in) investing activities (B)	51.40	31.22
C. Cash flow from financing activities		
Issue of equity shares	-	-
Capital Subsidy received	-	-
Repayment of long-term borrowings	177.00	-
Net increase / (decrease) in working capital borrowings	-	-
Finance cost	-	-
Net cash flow from / (used in) financing activities (C)	177.00	-
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	(33.83)	37.18
Cash and cash equivalents at the beginning of the year	37.78	0.60
Cash and cash equivalents at the end of the year	3.95	37.78
Net increase / (decrease) in Cash and cash equivalents	(33.83)	37.18

In terms of our report attached.

For R Soni & Co.

Chartered Accountants

FR NO. 130349W

Rajesh Soni

Partner

Membership No.133240



Chairman

For and on behalf of the board

Mahesh S. Jhawar

Director

Vinod S. Jhawar

Vinod s. Jhawar

Director

Place : Mumbai

Date: 30th May 2016

Particulars	AS AT 31/03/2018	AS AT 31/03/2017
EQUITY CAPITAL		
Authorised		
1,00,00,000 Equity Shares of Rs. 10/- each	1,00,00,000	1,00,00,000
1,00,00,000 Equity Shares of Rs. 10/- each		
Reserves		
Profit & Loss		
Reserve for Depreciation	1,17,00,000	1,17,00,000
Total	1,17,00,000	1,17,00,000
LIABILITIES		
Current Liabilities		
Trade Payables		
Trade Receivables		
Other Current Liabilities		
Total	1,17,00,000	1,17,00,000
LONG TERM LIABILITIES		
Provision for Current Tax		
Deferred Tax		
Total	1,17,00,000	1,17,00,000
OTHER CURRENT LIABILITIES		
Other Current Liabilities		
T.D.S on Contractors		
T.D.S on Brokerage & Commission		
Outstanding Expenses		
Total	1,17,00,000	1,17,00,000
FIXED ASSETS		
Motor Car		
Good Stock		
Land Improvement		
Fix Stock		
Total	1,17,00,000	1,17,00,000
LONG TERM LOAN AND ADVANCES		
Advance Income Tax		
T.D.S. Provision		
Total	1,17,00,000	1,17,00,000

Significant Accounting Policies

- The Company follows accrual basis of accounting & recognizing Income and Expenditure on accrual basis. The accounts are prepared on historical cost convention and materially comply with the Mandatory Accounting Standards issued by the Institute of Chartered Accountants of India.
- Depreciation is provided on Fixed Assets used during the year under Straight Line Method at the rates specified in schedule II of the Companies Act, 2013 on triple shift basis.
- In the opinion of the Board of Directors the Current Assets, Loans & Advances have a value on realization, in the ordinary course of business, at least equal to the amount at which they are stated in the Balance Sheet.
- Disclosure under section 22 of the Micro, Small and Medium enterprises Development Act, 2006 could not be furnished as none of the suppliers of the Company have provided the details of their registration under the said Act.
- Contingent Liability: NIL
- Figures for previous year have been regrouped / rearranged wherever necessary
- Provision for current tax is made after taking into consideration benefits admissible under the provision of the income-tax Act 1961. Deferred Tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. Deferred tax / asset is recognized and carried forward only to the extent that there is a virtual certainty that the asset will be realized in future.

DFL FABRICS PVT.LTD.

Notes on Financial Statement for the year ended 31st March -2016

(Amount in Rs.)

Particulars	AS AT 31/03/2016	AS AT 31/03/2015
1 SHARE CAPITAL		
Authorised		
10000 Equity Shares of Rs. 10/- each	100,000.00	100,000.00
Previous year 10000 Equity Shares Rs.100/-each		
Issued, Subscribed & Paid up		
10000 Equity Shares of Rs. 10/- each fully paid up in cash	100,000.00	100,000.00
Previous year 10000 Equity Shares of Rs.10/-each)		
1.1 Details of Shareholders holding more than 5% Shares	No.of Shares	%
Dhanlaxmi Fabrics Ltd. (Holding Company)	9980	99.98
	No.of Shares	%
	9980	99.98
2 RESERVES & SURPLUS		
	AS AT 31/03/2016	AS AT 31/03/2015
Profit & Loss A/c		
As per last Balance Sheet	6,491,001.04	4,008,838.53
Add Profit for the year	3,328,810.45	2,482,162.51
Total	9,819,811.49	6,491,001.04
3 DEFERRED TAX LIABILITY (NET)		
	AS AT 31/03/2016	AS AT 31/03/2015
At the beginning of the year	24,314.00	22,416.00
Defered Tax Liability/ (Asset) for the yeat	(5,822.00)	1,898.00
At Closing of the year	18,492.00	24,314.00
4 LONG TERM TAX PROVISIONS		
	AS AT 31/03/2016	AS AT 31/03/2015
Provision for income tax	3,475,125.00	2,639,434.00
Total	3,475,125.00	2,639,434.00
5 UNSECURED LOAN		
	AS AT 31/03/2016	AS AT 31/03/2015
Mahesh S. Jhavar	17,700,000.00	-
Total	17,700,000.00	-
6 TRADE PAYABLE		
	AS AT 31/03/2016	AS AT 31/03/2015
Sundry creditors	751,456.00	21,743,090.00
Total	751,456.00	21,743,090.00
7 OTHER CURRENT LIABILITIES		
	AS AT 31/03/2016	AS AT 31/03/2015
Salary Payable	14,160.00	23,461.00
Service Tax Payable	454.00	454.00
TDS on Contractors	1,819.00	8,607.00
Charity	251.28	251.28
Advance Received From Customers	1,970,543.00	-
Total	1,987,227.28	32,773.28
8 FIXED ASSETS		
	AS AT 31/03/2016	AS AT 31/03/2015
Motor Car		
Gross Block	1,200,546.00	1,200,546.00
Less Depreciation	338,362.00	177,930.00
Net Block	862,184.00	1,022,616.00
9 LONG TERM LOAN & ADVANCES		
	AS AT 31/03/2016	AS AT 31/03/2015
Advance Income Tax	2,448,867.00	1,542,783.00
TDS Receivable	1,022,184.00	840,222.14
Mahshakti Grains & Minerals (I) Pvt Ltd	5,068,794.00	10,000,000.00
Lord Venkatesha Yarn Pvt Ltd	10,137,989.00	11,850,200.00
Total	18,677,834.00	24,233,205.14

		(Amount in Rs.)	
10	INVENTORIES	AS AT 31/03/2016	AS AT 31/03/2015
	Stock of cloth	2,353,964.60	181,025.93
	Stock of Shares	3,197,017.19	-
	Total	5,550,981.79	181,025.93
11	TRADE RECEIVABLES	AS AT 31/03/2016	AS AT 31/03/2015
	More Than 6 Months	430,730.00	7,004.00
	Others	314,539.00	1,783,415.00
	Total	745,269.00	1,790,419.00
12	CASH AND BANK BALANCES	AS AT 31/03/2016	AS AT 31/03/2015
	Cash Balance	48,156.50	55,973.50
	Balance with Bank	347,307.48	3,722,454.75
	Total	395,463.98	3,778,428.25
13	SHORT TERM LOAN & ADVANCES	AS AT 31/03/2016	AS AT 31/03/2015
	Sundaram Textiles	7,613,179.00	-
	Loan to staff	7,200.00	24,918.00
	Total	7,620,379.00	24,918.00
14	REVENUE FROM OPERATIONS	For the Year Ended	
		AS ON 31/03/2016	AS ON 31/03/2015
	Net Cloth sales	27,332,410.56	52,335,559.10
	Job Work Charges received	1,189,128.00	3,025,370.00
	Total	28,521,538.56	55,360,929.10
15	OTHER INCOME	AS ON 31/03/2016	AS ON 31/03/2015
	Sundry Balance W/off	103,725.14	(4.91)
	Misc. Income	-	285,817.77
	Interest Received	4,304,063.00	1,988,731.00
	Divident Received	3,987.96	
	Share Trading Profit	168,824.19	
	Total	4,580,600.29	2,274,543.86
16	PURCHASE OF STOCK IN TRADE	For the Year Ended	
		AS ON 31/03/2016	AS ON 31/03/2015
	Purchases of Cloth	26,138,319.70	45,161,478.99
	Total	26,138,319.70	45,161,478.99
17	CHANGES IN INVENTORIES OF STOCK IN TRADE	AS ON 31/03/2016	AS ON 31/03/2015
	Opening Stock	181,025.93	1,726,222.43
	Closing Stock	2,353,964.60	181,025.93
		(2,172,938.67)	1,545,196.50
18	EMPLOYEE BENEFITS EXPENSES	AS ON 31/03/2016	AS ON 31/03/2015
	Salary & Wages	356,434.00	565,949.00
	Staff Welfare	2,026.00	11,447.00
	Total	358,460.00	577,396.00
20	DEPRECIATION	AS ON 31/03/2016	AS ON 31/03/2015
	Depreciation for the year	160,432.00	160,432.00

Note No. 8
Fixed Assets

Particulars	Gross Block			Depreciaton				Net Block		
	As at 01/04/2015	Addition during the year	Sold during the year	As at 31/03/2016	Upto 31/03/2015	Provided For the year	Adjusted during the year	Upto 31/03/2016	As at 31/03/2016	As at 31/03/2015
Tangible Assets										
Motor Car	1200546	-	-	1200546	177930	160432		338362	862184	1022616
Total	1200546	0	0	1200546	177930	160432	0	338362	862184	1022616
Previous Year	1,200,546	0	-	1200546	17,498.00	160432	-	177930	1022616	