

# ENCOMPASS DESIGN INDIA PRIVATE LIMITED

Regd. Office :101, Cama Industrial Estate, Sun Mill Compound, Lower Parel, Mumbai – 400 013.

CIN NO.U74210MH2010PTC200672

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## **NOTICE**

NOTICE IS HEREBY GIVEN THAT 7<sup>TH</sup> ANNUAL GENERAL MEETING OF M/S. ENCOMPASS DESIGN INDIA PRIVATE LIMITED WILL BE HELD ON SATURDAY, 30<sup>TH</sup> SEPTEMBER, 2017 AT 1.30 P.M. AT THE REGISTERED OFFICE OF THE COMPANY, TO TRANSACT THE FOLLOWING BUSINESS:-

### **ORDINARY BUSINESS:**

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1. To receive, consider and adopt the Financial Statements of the Company for the year ended March 31, 2017 including audited Balance Sheet as at March 31, 2017 and the Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint M/s. V. K. Beswal & Associates as Statutory Auditors of the Company and to authorize Board of Directors to fix their remuneration.

**By order of the board of directors**

**For ENCOMPASS DESIGN INDIA PRIVATE LIMITED**

**Amit Dalmia**

**Director**

**DIN: 00210919**

**Date: 19<sup>th</sup> June, 2017**

**Place: Mumbai**

### **NOTE:-**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy and vote instead of himself and the proxy need not be a member of the company. In order to be effective the proxy form must be received by the company not less than 48 hours before the meeting.
2. The proxy, in order to be effective, should be duly completed, stamped and signed and must be deposited at the registered office of the company not less than 48 hours before the commencement of the meeting.

# ENCOMPASS DESIGN INDIA PRIVATE LIMITED

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CIN NO. U74210MH2010PTC200672

## DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2016-2017

To,  
Dear Shareholder,

Your directors have pleasure in presenting their 7<sup>th</sup> Annual Report on the business and operations of the company together with the Audited Statement of Accounts for the year ended 31<sup>st</sup> March, 2017.

### Financial Highlights (Standalone)

The Company's Financial Performance for the financial year ended on 31<sup>st</sup> March, 2017 under review alongwith previous years figures are given hereunder:

| Particulars                                  | Year ended 31 <sup>st</sup> March, 2017 | Year ended 31 <sup>st</sup> March, 2016 |
|--|---|---|
| Turnover                                     | 173,018,402                             | 130,963,915                             |
| Profit/(Loss) before taxation                | 44,11,372                               | (223,78,835)                            |
| Less : Tax Expense                           | (30,10,112)                             | (62,14,747)                             |
| <b>Profit/(Loss) after tax</b>               | <b>1,401,260</b>                        | <b>(16,164,088)</b>                     |
| Add : Balance B/F from the previous year     | -                                       | -                                       |
| Balance Profit / (Loss) C/F to the next year | 1,401,260                               | (16,164,088)                            |

### State of Company's Affairs and Future Outlook:

During the Financial Year 2016-17, Company has earned Rs. 173,018,402 by way of operating income and other income as compared to previous financial year 2015-16 Rs. 130,963,915. The Company has incurred profit (before tax) of Rs. 4,411,372 as compared to Loss for previous financial year 2015-16 Rs. 22,378,835 and during the financial Year 2016-17, the Company has earned Net Profit (after Tax) Rs. 1,401,260 as compared to loss for previous financial year 2015-16 Rs. 16,164,088.

### Dividend

The directors of the Company are not recommending any payment of dividend.

### Amounts Transferred to Reserves

During the Financial Year 2016-17, no amount has been transferred to reserves.

### Changes in Share Capital, if any

Changes in the capital structure of the Company are as follows:

| <b>AUTHORISED SHARE CAPITAL</b>               |                 |  |                 |
|---|-----------------|--|-----------------|
| <b>Particulars</b>                            | <b>2015-16</b>  |  | <b>2016-17</b>  |
| Equity Shares                                 | 3,00,000        |  | 3,00,000        |
| Preference Shares                             | 1,50,000        |  | 1,50,000        |
| <b>TOTAL</b>                                  | <b>4,50,000</b> |  | <b>4,50,000</b> |
| <b>ISSUED, PAID-UP AND SUBSCRIBED CAPITAL</b> |                 |  |                 |
| <b>Particulars</b>                            | <b>2015-16</b>  |  | <b>2016-17</b>  |
| Equity Shares                                 | 2,14,289        |  | 2,14,289        |
| Preference Shares                             | 91,561          |  | 95,004          |
| <b>TOTAL</b>                                  | <b>3,05,850</b> |  | <b>3,09,293</b> |

#### **Disclosure regarding Issue of Equity Shares with Differential Rights**

There has been no issue of equity shares with differential rights for the financial year 2016-17.

#### **Disclosure regarding issue of Employee Stock Options**

There has been no issue of employee stock options for the financial year 2016-17.

#### **Disclosure regarding issue of Sweat Equity Shares**

There has been no issue of sweat equity shares for the financial year 2016-17.

#### **Extract of Annual Return**

The extract of Annual Return, in format MGT -9, for the Financial Year 2016-17 has been enclosed with this report. **[Annexure I]**

#### **Number of Board Meetings**

During the Financial Year 2016-17, 17 meetings of the Board of Directors of the company were held.

| <b>Sr. No</b> | <b>Date Of Board Meeting</b> | <b>Directors Present</b>   |  |
|---------------|------------------------------|--|--|
| 1             | 08.04.2016                   | 1) Mr. Amit Dalmia<br>2) Mrs. Susmita Dalmia<br>3) Mr. Arunanshu Agarwal |  |
| 2             | 18.04.2016                   | 1) Mr. Amit Dalmia<br>2) Mrs. Susmita Dalmia<br>3) Mr. Arunanshu Agarwal |  |
| 3             | 06.05.2016                   | 1) Mr. Amit Dalmia<br>2) Mrs. Susmita Dalmia<br>3) Mr. Arunanshu Agarwal |  |
| 4             | 30.05.2016                   | 1) Mr. Amit Dalmia<br>2) Mrs. Susmita Dalmia<br>3) Mr. Arunanshu Agarwal |  |

|    |            |  |
|----|------------|--|
| 5  | 22.06.2016 | 1) Mr. Amit Dalmia<br>2) Mrs. Susmita Dalmia<br>3) Mr. Arunanshu Agarwal |
| 6  | 06.07.2016 | 1) Mr. Amit Dalmia<br>2) Mrs. Susmita Dalmia<br>3) Mr. Arunanshu Agarwal |
| 7  | 08.08.2016 | 1) Mr. Amit Dalmia<br>2) Mrs. Susmita Dalmia<br>3) Mr. Arunanshu Agarwal |
| 8  | 09.08.2016 | 1) Mr. Amit Dalmia<br>2) Mrs. Susmita Dalmia<br>3) Mr. Arunanshu Agarwal |
| 9  | 17.08.2016 | 1) Mr. Amit Dalmia<br>2) Mrs. Susmita Dalmia<br>3) Mr. Arunanshu Agarwal |
| 10 | 05.09.2016 | 1) Mr. Amit Dalmia<br>2) Mrs. Susmita Dalmia<br>3) Mr. Arunanshu Agarwal |
| 11 | 11.09.2016 | 1) Mr. Amit Dalmia<br>2) Mrs. Susmita Dalmia<br>3) Mr. Arunanshu Agarwal |
| 12 | 05.10.2016 | 1) Mr. Amit Dalmia<br>2) Mrs. Susmita Dalmia<br>3) Mr. Arunanshu Agarwal |
| 13 | 25.11.2016 | 1) Mr. Amit Dalmia<br>2) Mrs. Susmita Dalmia<br>3) Mr. Arunanshu Agarwal |
| 14 | 04.01.2017 | 1) Mr. Amit Dalmia<br>2) Mrs. Susmita Dalmia<br>3) Mr. Arunanshu Agarwal |
| 15 | 02.02.2017 | 1) Mr. Amit Dalmia<br>2) Mrs. Susmita Dalmia<br>3) Mr. Arunanshu Agarwal |
| 16 | 20.02.2017 | 1) Mr. Amit Dalmia<br>2) Mrs. Susmita Dalmia<br>3) Mr. Arunanshu Agarwal |
| 17 | 29.03.2017 | 1) Mr. Amit Dalmia<br>2) Mrs. Susmita Dalmia<br>3) Mr. Arunanshu Agarwal |

### **Particulars of Loan, Guarantees and Investments under Section 186**

The company has no Loan, Guarantees and Investments under Section 186.

### **Particulars of Contracts or Arrangements with Related Parties**

The particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act 2013 for the Financial Year 2016-17 in the prescribed format, AOC-2 has been enclosed with the report. [Annexure II]

### **Explanation to Auditor's Remarks**

The Notes on financial statement referred to in the Auditor's Report are self-explanatory and do not call for any further comments. The Auditors Report does not contain any qualification, reservation, adverse remark or disclaimer.

### **Material Changes Affecting the Financial Position of the Company**

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.

### **Conservation of Energy, Technology, Absorption, Foreign Exchange Earnings and Outgo**

The details of Energy, Technology, Absorption, Foreign Exchange Earnings and Outgo are as under:

| Sr.No | Particulars   | Director's Reply or Feedback  |  |
|-------|---|---|--|
| a)    | <b>Conservation of Energy:</b>  |   |  |
|       | Steps taken for conservation  | Directors are glad to inform that company is providing serious attention towards conservation of energy. It has continued to focus on environment friendly. |  |
|       | Steps taken for utilizing alternate sources of energy                     |   |  |
|       | Capital investment on energy conservation equipment's                     |   |  |
| b)    | <b>Technology Absorption:</b>   |   |  |
|       | Efforts made for technology absorption                                    | There was no import of technology.  |  |
|       | Benefits derived  |   |  |
|       | Expenditure on Research & Development, if any                             |   |  |
|       | Details of technology imported, if any                                    |   |  |
|       | Year of import  |   |  |
|       | Whether imported technology fully absorbed                                |   |  |
|       | Areas where absorption of imported technology has not taken place, if any |   |  |

|    |  |   |  |
|----|--|---|--|
| c) | <b>Foreign Exchange Earnings/ Outgo:</b> |   |  |
|    | Earnings                                 | - |  |
|    | Outgo                                    | - |  |

#### **Details of Subsidiary, Joint Venture or Associates**

The company has no subsidiaries, joint ventures or associate companies during the financial year 2016-17.

#### **Details of Directors and Key Managerial Personnel**

There has been no change in the Directors and Key Managerial Personnel in the financial year 2016-17.

#### **Details of significant & material orders passed by the regulators or courts or tribunal**

There are no significant & material orders passed by the regulators or courts or tribunal.

#### **Deposits**

There are no deposits in the company covered under Chapter V of the Companies Act, 2013 during the financial year 2016-17.

#### **Receipt of any commission by MD / WTD from a Company or for receipt of commission / remuneration from it holding or subsidiary**

There has been no Receipt of commission by MD / WTD of the Company or for receipt of commission / remuneration from it holding or subsidiary.

#### **Corporate Social Responsibility (CSR) Policy**

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.

#### **Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013**

There have been no cases filed under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 in the financial year 2016-17.

#### **Internal Financial Controls with reference to the Financial Statements**

The Company has duly established and maintained its internal controls and procedures for the financial reporting and evaluated the effectiveness of Internal Control Systems. The internal control systems commensurate with the size, scale and complexity of its operations.

### **Statement Indicating Development and Implementation of Risk Management Policy**

The Company does not have any Risk Management Policy as the elements of risk threatening the Company's existence are very minimal.

### **Statutory Auditors**

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014, V. K. Beswal & Associates, Chartered Accountants, (FRN No. 101083W) was appointed till the conclusion of the 8<sup>th</sup> Annual General Meeting (AGM). However, their appointment as Statutory Auditors of the Company is subject to ratification by the Members at every Annual General Meeting. The Company has received a certificate from the said Auditors that they are eligible to hold office as the Auditors of the Company and are not disqualified for being so appointed.

Necessary resolution for ratification of appointment of the said auditors is included in the Notice of the Annual General Meeting for seeking approval of Members.

### **Directors Responsibility Statement**


In accordance with the provisions of Section 134(5) of the Companies Act 2013, your directors confirm that:

- a) in the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2017, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) 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 31<sup>st</sup> March, 2017 and of the profit /loss of the Company for that period;
- c) 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;
- d) the directors had prepared the annual accounts on a going concern basis;
- e) 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.

### Acknowledgment

The Directors express their sincere appreciation to the valued shareholders, bankers and clients for their support.

For and on behalf of the Board of Directors of  
ENCOMPASS DESIGN INDIA PRIVATE LIMITED



Amit Dalmia  
Director  
DIN: 00210919



Arunanshu Agarwal  
Director  
DIN: 00166400

Place: Mumbai

Date: 19/06/2017



# ENCOMPASS DESIGN INDIA PRIVATE LIMITED

Regd. Office : 101, Cama Industrial Estate, Sun Mill Compound, Lower Parel, Mumbai - 400 013.

CIN NO. U74210MH2010PTC200672

## ANNEXURE I

### Form MGT 9

Extract of Annual Return as on the financial year ended on 31/03/2017  
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the  
Companies (Management and Administration) Rules, 2014]

#### I. REGISTRATION AND OTHER DETAILS:

(i) CIN: **U74210MH2010PTC200672**

(ii) Registration Date:

|      |   |       |   |      |   |   |   |
|------|---|-------|---|------|---|---|---|
| 0    | 9 | 0     | 3 | 2    | 0 | 1 | 0 |
| Date |   | Month |   | Year |   |   |   |

(iii) Name of the Company:

**Encompass Design India Private Limited**

(iv) Category of the Company: [Pl. tick]

|    |                 |   |
|----|-----------------|---|
| 1. | Public Company  | - |
| 2. | Private Company | ✓ |

Sub Category of the Company: [Please tick whichever are applicable]

|     |                                    |   |
|-----|------------------------------------|---|
| 1.  | Government Company                 | - |
| 2.  | Small Company                      | - |
| 3.  | One Person Company                 | - |
| 4.  | Subsidiary of Foreign Company      | - |
| 5.  | NBFC                               | - |
| 6.  | Guarantee Company                  | - |
| 7.  | Limited by shares                  | ✓ |
| 8.  | Unlimited Company                  | - |
| 9.  | Company having share capital       | ✓ |
| 10. | Company not having share capital   | - |
| 11. | Company Registered under Section 8 | - |

(v) Address of the Registered Office and contact details:

|             |   |
|-------------|---|
| Address:    | <b>101, Cama Industrial Estate, Sun Mill Compound, Lower Parel, Mumbai - 400013</b> |
| Contact No: | <b>022-43413224</b>   |

(vi) Whether shares listed on recognized Stock Exchange(s): Yes / No

If 'Yes', the details of Stock Exchanges, where the shares are listed.

| Sr. No. | Stock Exchange Name | Code |
|---------|---------------------|------|
| 1.      | -                   | -    |
| 2.      | -                   | -    |

(vii) Name, Address and Contact details of Registrar and Transfer Agent, if any.

|             |   |
|-------------|---|
| Name:       | Sharex Dynamic (India) Private Limited  |
| Address:    | Unit No.1, Luthra Ind. Premises, Safed Pool, Andheri Kurla Road, Andheri (East),<br>Mumbai - 400072 |
| Contact No. | 022-2851 5606   |

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

| Sr. No. | Name and Description of main products / services | NIC Code of the Product/ service | % to total turnover of the company |
|---------|--|----------------------------------|------------------------------------|
| 1.      | Retail Trading                                   | 479                              | 100                                |

## III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES: Not Applicable

## 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        | 47500   | 32250    | 79750 | 37.22             | 47500                                     | 32250    | 79750 | 37.22             | 0.00                     |
| b) Central Govt.         | 0   | 0        | 0     | 0.00              | 0   | 0        | 0     | 0.00              | 0.00                     |
| c) State Govt.(s)        | 0   | 0        | 0     | 0.00              | 0   | 0        | 0     | 0.00              | 0.00                     |
| d) Bodies Corp.          | 0   | 0        | 0     | 0.00              | 0   | 0        | 0     | 0.00              | 0.00                     |
| e) Banks/FI              | 0   | 0        | 0     | 0.00              | 0   | 0        | 0     | 0.00              | 0.00                     |

| 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 |                          |
| f) Any Other.....   | 0   | 0            | 0            | 0.00              | 0   | 0            | 0            | 0.00              | 0.00                     |
| <b>Sub-total A(1):</b>                                    | <b>47500</b>                                    | <b>32250</b> | <b>79750</b> | <b>37.22</b>      | <b>47500</b>                              | <b>32250</b> | <b>79750</b> | <b>37.22</b>      | <b>0.00</b>              |
| <b>(2) Foreign</b>  |   |              |              |                   |   |              |              |                   |                          |
| a) NRIs- Individuals                                      | 0   | 0            | 0            | 0.00              | 0   | 0            | 0            | 0.00              | 0.00                     |
| b) Other - Individuals                                    |   |              |              |                   |   |              |              |                   |                          |
| c) Bodies Corp.   | 0   | 0            | 0            | 0.00              | 0   | 0            | 0            | 0.00              | 0.00                     |
| d) Banks / FI   | 0   | 0            | 0            | 0.00              | 0   | 0            | 0            | 0.00              | 0.00                     |
| e) Any Other....  | 0   | 0            | 0            | 0.00              | 0   | 0            | 0            | 0.00              | 0.00                     |
| <b>Sub- total A(2):</b>                                   | <b>0</b>  | <b>0</b>     | <b>0</b>     | <b>0.00</b>       | <b>0</b>                                  | <b>0</b>     | <b>0</b>     | <b>0.00</b>       | <b>0.00</b>              |
| <b>Total shareholding of promoter (A) = A(1) + (A)(2)</b> | <b>47500</b>                                    | <b>32250</b> | <b>79750</b> | <b>37.22</b>      | <b>47500</b>                              | <b>32250</b> | <b>79750</b> | <b>37.22</b>      | <b>0.00</b>              |
| <b>B. Public Shareholding</b>                             |   |              |              |                   |   |              |              |                   |                          |
| <b>I. Institutions</b>                                    |   |              |              |                   |   |              |              |                   |                          |
| a) Mutual Funds   | 0   | 0            | 0            | 0.00              | 0   | 0            | 0            | 0.00              | 0.00                     |
| b) Banks / FI   | 0   | 0            | 0            | 0.00              | 0   | 0            | 0            | 0.00              | 0.00                     |
| c) Central Govt.  | 0   | 0            | 0            | 0.00              | 0   | 0            | 0            | 0.00              | 0.00                     |
| d) State Govt(s).   | 0   | 0            | 0            | 0.00              | 0   | 0            | 0            | 0.00              | 0.00                     |
| e) Venture Capital Funds                                  | 0   | 100          | 100          | 0.05              | 0   | 100          | 100          | 0.05              | 00.0                     |
| f) Insurance Companies                                    | 0   | 0            | 0            | 0.00              | 0   | 0            | 0            | 0.00              | 0.00                     |
| g) FIIS   | 0   | 0            | 0            | 0.00              | 0   | 0            | 0            | 0.00              | 0.00                     |
| h) Foreign Venture Capital Funds                          | 0   | 0            | 0            | 0.00              | 0   | 0            | 0            | 0.00              | 0.00                     |
| i) Others (specify)                                       | 0   | 0            | 0            | 0.00              | 0   | 0            | 0            | 0.00              | 0.00                     |
| <b>Sub-total (B)(1):</b>                                  | <b>0</b>  | <b>100</b>   | <b>100</b>   | <b>0.05</b>       | <b>0</b>                                  | <b>100</b>   | <b>100</b>   | <b>0.05</b>       | <b>00.0</b>              |

| 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>II Non-Institutions</b>   |   |               |               |                   |   |               |               |                   |                          |
| (a) Bodies Corp.   |   |               |               |                   |   |               |               |                   |                          |
| • Indian   | 0   | 30            | 30            | 0.01              | 0   | 30            | 30            | 0.01              | 0.00                     |
| • Overseas   | 0   | 0             | 0             | 0.00              | 0   | 0             | 0             | 0.00              | 0.00                     |
| (b) Individuals  |   |               |               |                   |   |               |               |                   |                          |
| • Individual shareholders holding nominal share capital upto Rs. 1 lakh.         | 0   | 20            | 20            | 0.01              | 0   | 20            | 20            | 0.01              | 100                      |
| • Individual shareholders holding nominal share capital in excess of Rs. 1 lakh. | 0   | 134389        | 134389        | 62.71             | 0   | 134389        | 134389        | 62.71             | 0.00                     |
| c) Others (specify)  | 0   | 0             | 0             | 0.00              | 0   | 0             | 0             | 0.00              | 0.00                     |
| <b>Sub-total (B)(2):</b>   | <b>0</b>  | <b>134439</b> | <b>134439</b> | <b>62.74</b>      | <b>0</b>                                  | <b>134439</b> | <b>134439</b> | <b>62.74</b>      | <b>0.00</b>              |
| <b>Total Public Shareholding (B)=(B) (1)+(B) (2)</b>                             | <b>0</b>  | <b>134539</b> | <b>134539</b> | <b>62.78</b>      | <b>0</b>                                  | <b>134539</b> | <b>134539</b> | <b>62.78</b>      | <b>0.00</b>              |
| <b>C. Share held by Custodian for GDRs &amp; ADRs</b>                            | <b>0</b>  | <b>0</b>      | <b>0</b>      | <b>0.00</b>       | <b>0</b>                                  | <b>0</b>      | <b>0</b>      | <b>0.00</b>       | <b>0.00</b>              |
| <b>Grand Total (A+B+C)</b>   | <b>47500</b>                                    | <b>166789</b> | <b>214289</b> | <b>100</b>        | <b>47500</b>                              | <b>166789</b> | <b>214289</b> | <b>100</b>        | <b>0.00</b>              |

(ii) Shareholding of Promoters

| Sr. No. | Shareholder's Name  | Shareholding at the beginning of the year |                                  |  | Shareholding 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.      | Mr. Amit Dalmia     | 72250                                     | 33.72                            | 0  | 72250                               | 33.72                            | 0  | 0.00                                      |
| 2.      | Mrs. Susmita Dalmia | 7500                                      | 3.50                             | 0  | 7500                                | 3.50                             | 0  | 0.00                                      |
|         | <b>Total</b>        | <b>79750</b>                              | <b>37.22</b>                     | <b>0</b>   | <b>79750</b>                        | <b>37.22</b>                     | <b>0</b>   | <b>0.00</b>                               |

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

| Sl. No. | Shareholder's Name | Shareholding  |                                  |                | Increase / (Decrease) in Shareholding | Reason | Cumulative Shareholding during the year (01-04-16 to 31-03-17) |                                  |
|---------|--------------------|---|----------------------------------|----------------|---------------------------------------|--------|--|----------------------------------|
|         |                    | No. of shares at the beginning (1 <sup>st</sup> April, 2016) / end of the year (31 <sup>st</sup> March, 2017) | % of total shares of the Company | Date of change |                                       |        | No. of shares  | % of total shares of the Company |
| 1.      | Mr. Amit Dalmia    | 72250   | 33.72                            | -              | -                                     | -      | 72250  | 33.72                            |

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

| Sl. No. | Shareholder's Name  | Shareholding  |                                  |                | Increase / (Decrease) in Shareholding | Reason | Cumulative Shareholding during the year (01-04-16 to 31-03-17) |                                  |
|---------|---|---|----------------------------------|----------------|---------------------------------------|--------|--|----------------------------------|
|         |   | No. of shares at the beginning (1 <sup>st</sup> April, 2016) / end of the year (31 <sup>st</sup> March, 2017) | % of total shares of the Company | Date of change |                                       |        | No. of shares  | % of total shares of the Company |
| 1.      | Mr. Vijay Kumar Agarwal   | 134389  | 62.71                            | -              | -                                     | -      | 134389   | 62.71                            |
| 2.      | M/s. IL & FS Trust Company Limited (Trustee Blume Venture Fund I) | 100   | 0.05                             | -              | -                                     | -      | 100  | 0.05                             |
| 3.      | M/s. Advik Holdings Private Limited                               | 10  | 0.005                            | -              | -                                     | -      | 10   | 0.005                            |
| 4.      | M/s. Texport  | 10  | 0.005                            | -              | -                                     | -      | 10   | 0.005                            |

| Sl. No. | Shareholder's Name                      | Shareholding  |                                  |                | Increase / (Decrease) in Shareholding | Reason | Cumulative Shareholding during the year (01-04-16 to 31-03-17) |                                  |
|---------|---|---|----------------------------------|----------------|---------------------------------------|--------|--|----------------------------------|
|         |   | No. of shares at the beginning (1 <sup>st</sup> April, 2016) / end of the year (31 <sup>st</sup> March, 2017) | % of total shares of the Company | Date of change |                                       |        | No. of shares  | % of total shares of the Company |
|         | Industries Private Limited              |   |                                  |                |                                       |        |  |                                  |
| 5.      | Mr. Pankaj Kajaria                      | 10  | 0.005                            | -              | -                                     | -      | 10   | 0.005                            |
| 6.      | M/s. Girisons Retailing Private Limited | 10  | 0.005                            | -              | -                                     | -      | 10   | 0.005                            |
| 7.      | Mr. Jiby Thomas                         | 10  | 0.005                            | -              | -                                     | -      | 10   | 0.005                            |

(v) Shareholding of Directors and Key Managerial Personnel:

| Sl. No. | Director's / Key Managerial Personnel Name | Shareholding  |                                  |                | Increase / (Decrease) in Shareholding | Reason | Cumulative Shareholding during the year (01-04-16 to 31-03-17) |                                  |
|---------|--|---|----------------------------------|----------------|---------------------------------------|--------|--|----------------------------------|
|         |  | No. of shares at the beginning (1 <sup>st</sup> April, 2016) / end of the year (31 <sup>st</sup> March, 2017) | % of total shares of the Company | Date of change |                                       |        | No. of shares  | % of total shares of the Company |
| 1.      | Mr. Amit Dalmia                            | 72250   | 33.72                            | -              | -                                     | -      | 72250  | 33.72                            |
| 2.      | Mr. Susmita Dalmia                         | 7500  | 3.50                             | -              | -                                     | -      | 7500   | 3.50                             |
|         | <b>TOTAL</b>                               | <b>79750</b>  | <b>37.22</b>                     | -              | -                                     | -      | <b>79750</b>   | <b>37.22</b>                     |

V. INDEBTEDNESS

| Particulars  | Secured Loans excluding deposits | Unsecured Loans    | Deposits | Total Indebtedness |
|--|----------------------------------|--------------------|----------|--------------------|
| <b>Indebtedness at the beginning of the financial year</b> |                                  |                    |          |                    |
| i) Principal Amount  | 4,95,77,596                      | 28,02,500          | 0        | 5,23,80,096        |
| ii) Interest due but not paid                              | 0                                | 0                  | 0        | 0                  |
| iii) Interest accrued but not due                          | 0                                | 0                  | 0        | 0                  |
| <b>Total (i+ii+iii)</b>                                    | <b>4,95,77,596</b>               | <b>28,02,500</b>   | <b>0</b> | <b>5,23,80,096</b> |
| <b>Change in Indebtedness during the financial year</b>    |                                  |                    |          |                    |
| * Addition   | 0                                | 1,94,62,121        | 0        | 1,94,62,121        |
| * Reduction  | (4,860,241)                      | 0                  | 0        | (4,860,241)        |
| <b>Net Change</b>  | <b>(4,860,241)</b>               | <b>0</b>           | <b>0</b> | <b>1,46,01,880</b> |
| <b>Indebtedness at the end of the financial year</b>       |                                  |                    |          |                    |
| i) Principal Amount  | 4,47,17,355                      | 2,22,64,621        | 0        | 6,69,81,976        |
| ii) Interest due but not paid                              | 0                                | 0                  | 0        | 0                  |
| iii) Interest accrued but not due                          | 0                                | 0                  | 0        | 0                  |
| <b>Total (i+ii+iii)</b>                                    | <b>4,47,17,355</b>               | <b>2,22,64,621</b> | <b>0</b> | <b>6,69,81,976</b> |



# **VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

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

| Sl. no. | Particulars of Remuneration   | Names of MD/WTD/ Manager |     | Total Amount |
|---------|---|--------------------------|-----|--------------|
|         |   | Rs.                      | Rs. | Rs.          |
| 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) Income Tax Act, 1961.                             | -                        |     | -            |
|         | c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961.             | -                        |     | -            |
| 2       | Stock Option  | -                        |     | -            |
| 3       | Sweat Equity  | -                        |     | -            |
| 4       | Commission  |                          |     |              |
|         | - as % of profit.   | -                        |     | -            |
|         | - others, specify.  | -                        |     | -            |
| 5       | Others, please specify  | -                        |     | -            |
| 6       | <b>Total (A)</b>  |                          |     |              |
| 7       | Ceiling as per the Act  | -                        |     | -            |

## **B. Remuneration to other directors: Not Applicable**

## **C. Remuneration to Key Managerial Personnel other than MD/ Manager/ WTD.**

There are no key managerial personnel other than MD/Manager/WTd in the Company.

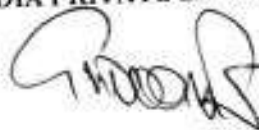
**VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:**

There are no penalties, punishments and compounding of offences being levied on the company in the financial year 2016-2017.

For and on behalf of the Board of Directors of  
ENCOMPASS DESIGN INDIA PRIVATE LIMITED



Amit Dalmia  
Director  
DIN: 00210919



Arunanshu Agarwal  
Director  
DIN: 00166400

Place: Mumbai

Date: 19/06/2017

# ENCOMPASS DESIGN INDIA PRIVATE LIMITED

Regd. Office : 101, Cama Industrial Estate, Sun Mill Compound, Lower Parel, Mumbai - 400 013.

CIN NO. U74210MH2010PTC200672

## ANNEXURE II

### 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 arm's length transaction under third proviso thereto.

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

| Name(S) of the Related Party and Nature of Relationship | Nature of contracts / arrangements/transactions | Duration of contracts/ arrangements /transaction | Salient terms of contracts/ arrangements /transactions including value, if any | Date(s) of approval by the Board, if any | Amount paid as advances, if any |
|---|---|--|--|--|---------------------------------|
| N.A.  | N.A.  | N.A.   | N.A.   | N.A.                                     | N.A.                            |

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

| Name(S) of the Related Party and Nature of Relationship | Nature of contracts / arrangements/transactions | Duration of contracts/ arrangements /transaction | Salient terms of contracts/ arrangements /transactions including value, if any | Date(s) of approval by the Board, if any | Amount paid as advances, if any |
|---|---|--|--|--|---------------------------------|
| Home Craft Online Private Limited                       | Sales   | Perpetual  | As approved by the Board from time to time                                     | NA                                       | NIL                             |
| Creative Global Services Private Limited                | Purchases                                       | Perpetual  | As approved by the Board from time to time                                     | NA                                       | NIL                             |
| Creative Portico Private Limited                        | Purchases / Purchase Return                     | Perpetual  | As approved by the Board from time to time                                     | NA                                       | NIL                             |
| Creative Garments Private Limited                       | Purchases                                       | Perpetual  | As approved by the Board from time to time                                     | NA                                       | NIL                             |

| Name(S) of the Related Party and Nature of Relationship | Nature of contracts / arrangements / transactions | Duration of contracts / arrangements / transaction | Salient terms of contracts / arrangements / transactions including value, if any | Date(s) of approval by the Board, if any | Amount paid as advances, if any |
|---|---|--|--|--|---------------------------------|
| Creative Textiles Mills Private Limited                 | Purchases / Purchase Return                       | Perpetual  | As approved by the Board from time to time                                       | NA                                       | NIL                             |





## **Independent Auditor's Report**

**To the Members of**

**ENCOMPASS DESIGN INDIA PRIVATE LIMITED**

### **Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of **ENCOMPASS DESIGN INDIA PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31 March 2017, 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 Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements, that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act; safeguarding the assets of the Company; 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 standalone 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 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:

- (a) In case of Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March 2017;
- (b) In case of Statement of Profit and Loss, of the **Profit** from the period ended on that date; and
- (c) In the case of cash flow statement, of the cash flows for the period 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 Section 143(11) of the Act, we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order.
- 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 purpose of our audit;
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The standalone financial statements 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 (as amended);



- e. On the basis of the written representations received from the directors as on 31 March, 2017 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164(2) of the Act;
- f. Reporting under Sec 143(3)(i) for audit of internal financial controls is not applicable since turnover of the company does not exceed Rs. 50 crores and borrowings do not exceed 25 crores as per latest audited balance sheet.
- 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) Amendment Rules, 2017, in our opinion and to the best of our information and according to the explanations given to us:
- i. The company does not have any pending litigations which would impact its financial position.
  - ii. The company does not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company.
  - iv. The company has provided requisite disclosure in its standalone Financial Statements as to holding as well as dealings with specified bank notes during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016 and these are in accordance with the books of accounts maintained by the company. Refer Note No. 29 of the notes to Financial statements.

For V.K. Beswal & Associates  
Chartered Accountants



CA Tanay Kedia  
(Partner)

Membership No. 154778

Firm Registration No.: 101083W

Place: Mumbai

Date: 19 JUN 2017





## **Annexure I to the Auditor's Report even date CARO 2016:**

### **1. In respect of Fixed Assets:**

- a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b. The fixed assets have been physically verified by the management at reasonable intervals during the year. We are informed that no material discrepancies were noticed by the management on such verification.
- c. There are no immovable properties held in the name of the company, so the said clause is not applicable.

### **2. In respect of Inventories:**

As explained to us, inventory of the Company has been physically verified during the year by the management at reasonable intervals and in our opinion and according to the information and explanations given to us, the Company is maintaining proper records of its inventories and no material discrepancies were noticed on physical verification.

### **3. In respect of loans, secured or unsecured granted by the Company to the companies, firms or other parties covered in the register maintained under Section 189 of the companies Act, 2013:**

- a) During the year Company has not granted any loans to parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- b) In view of our comments above, clause 3 (iii) (a), (b) of the said order is not applicable to the company

### **4. The company has not granted any loans or made any investments or given guarantees or securities during the year.**

### **5. During the year the company has not accepted any deposits from public or by any means hence the said clause 3 (v) of the said order is not applicable to the Company.**

### **6. As Informed to us ,the Central Government has not prescribed the maintenance of Cost records u/s 148(1) (d) of the Companies Act, 2013.**

### **7. In respect of Statutory Dues:**

- (a) According to record of the Company produced before us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including





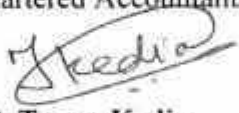
provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax, service tax, customs duty, excise duty, cess and other statutory dues applicable to it. According to the information and explanation given to us, there were no outstanding statutory dues as on 31<sup>st</sup> March, 2017 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 of Income Tax, sales tax, wealth tax, service tax, customs duty, excise duty/cess which have not been deposited on account of any dispute.
8. The company has not defaulted in repayment of loans from banks. The company has taken loan from banks and has not taken loans from financial institutions. The company has not issued debentures.
9. During the year the Company has not raised any fund by way of initial public offer or further public offer (including debt instruments) and term loans, therefore no comments under the clause are called for.
10. Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.
11. As the Company is a Private Limited Company, the provisions of section 197 read with Schedule V to the Companies Act 2013 do not apply to the Company. Hence, reporting under this clause is not called for.
12. In our opinion and to the best of our information and according to the explanations provided by the management, we are of the opinion that the company is not a Nidhi company. Hence, in our opinion the clause does not apply to the company.
13. The Company has disclosed all the transactions with the related parties in the Financial Statements during the year and the transactions are in compliance with sections 177 and 188 of Companies Act, 2013.
14. During the year under consideration, the company has made preferential allotment of Equity & preference shares. In our opinion, prices at which shares have been issued is not prejudicial to the interest of the Company.



15. According to the provisions of section 192 of Companies Act, 2013 the company has not entered into any non-cash transactions with directors or persons connected with him during the year hence no comments under this clause are called for.
16. The Company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934, hence this clause is not applicable and no comments under this clause are called for.

For **V.K. Beswal & Associates**  
Chartered Accountants

  
**CA Tanay Kedia**  
(Partner)

Membership No. 154778

Firm Registration No.: 101083W

Place: Mumbai

Date: 11 9 JUN 2017



**ENCOMPASS DESIGN INDIA PRIVATE LIMITED**  
**BALANCE SHEET AS AT 31st MARCH, 2017**

| PARTICULARS                                      | Note | As at 31st March, 2017 | As at 31st March, 2016 |
|--|------|------------------------|------------------------|
| <b><u>EQUITY AND LIABILITIES</u></b>             |      |                        |                        |
| <b>Shareholders' Funds</b>                       |      |                        |                        |
| Share Capital                                    | 2    | 30,92,930              | 30,58,500              |
| Reserves and Surplus                             | 3    | 5,00,85,208            | 4,35,16,005            |
| Money received against Share Warrants            |      | 42,00,000              | 42,00,651              |
|  |      | <b>5,73,78,138</b>     | <b>5,07,75,156</b>     |
| <b>Share Application Money Pending Allotment</b> |      | -                      | 47,75,641              |
| <b>Non-Current Liabilities</b>                   |      |                        |                        |
| Other Long Term Liabilities                      | 5    | 2,22,64,621            | 28,02,500              |
| Long Term Provisions                             | 6    | 1,95,854               | 1,24,659               |
|  |      | <b>2,24,60,475</b>     | <b>29,27,159</b>       |
| <b>Current Liabilities</b>                       |      |                        |                        |
| Short-Term Borrowings                            | 7    | 4,47,17,355            | 4,95,77,596            |
| Trade Payables                                   | 8    | 1,38,48,607            | 11,89,02,516           |
| Other Current Liabilities                        | 9    | 4,06,21,184            | 1,79,97,954            |
|  |      | <b>9,91,87,146</b>     | <b>18,64,78,066</b>    |
| <b>Total</b>                                     |      | <b>17,90,25,759</b>    | <b>24,49,56,022</b>    |
| <b><u>ASSETS</u></b>                             |      |                        |                        |
| <b>Non-Current Assets</b>                        |      |                        |                        |
| Fixed Assets                                     | 10   |                        |                        |
| Tangible Assets                                  |      | 18,30,107              | 21,38,851              |
| Intangible Assets                                |      | 8,03,41,181            | 9,04,70,857            |
| Deferred Tax Assets (Net)                        | 4    | 1,12,15,770            | 1,42,25,882            |
| Long-Term Loans and Advances                     | 11   | 43,94,040              | 43,94,040              |
|  |      | <b>9,77,81,098</b>     | <b>11,12,29,630</b>    |
| <b>Current Assets</b>                            |      |                        |                        |
| Inventories                                      | 12   | 6,62,65,307            | 6,10,18,683            |
| Trade Receivables                                | 13   | 1,00,83,607            | 6,78,76,563            |
| Cash and Bank Balances                           | 14   | 2,07,032               | 9,96,660               |
| Short-Term Loans and Advances                    | 15   | 46,88,714              | 38,34,486              |
|  |      | <b>8,12,44,661</b>     | <b>13,37,26,392</b>    |
| <b>Total</b>                                     |      | <b>17,90,25,759</b>    | <b>24,49,56,022</b>    |

Significant Accounting Policies:

1

Accompanying Notes form an integral part of the Financial Statements

As per our report of even date attached

As per our report of even date attached

For **V K BESWAL & ASSOCIATES**

**CHARTERED ACCOUNTANTS**

Firm No. 101083W

**CA Tanay Kedia**

(Partner)

M No. 154778

Place : Mumbai

Date : **19 JUN 2017**



*[Signature]*

Amit Dalmia

Director

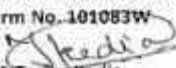


DIN: 00210919

*[Signature]*

Arunanshu Agarwal

Director

DIN : 00166400

| ENCOMPASS DESIGN INDIA PRIVATE LIMITED   |      |   |   |
|--|------|---|---|
| STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st March, 2017   |      |   |   |
| Particulars  | Note | Year ended<br>on 31st March, 2017   | Year ended<br>on 31st March, 2016   |
| <b>Income :</b>  |      |   |   |
| Revenue from operations  | 16   | 17,30,12,074  | 13,00,79,197  |
| Other Income   | 17   | 5,328   | 8,84,719  |
| <b>Total Revenue</b>   |      | <b>17,30,18,402</b>   | <b>13,09,63,915</b>   |
| <b>Expenses:</b>   |      |   |   |
| Purchase of Stock in Trade   |      | 11,52,33,431  | 12,07,11,521  |
| (Increase)/Decrease in Inventories   | 18   | (52,46,624)   | (1,53,83,368)   |
| Employee Benefits Expense  | 19   | 50,19,695   | 1,33,58,328   |
| Finance Costs  | 20   | 65,02,379   | 50,17,348   |
| Depreciation and Amortization  |      | 1,04,69,669   | 1,07,33,702   |
| Other Expenses   | 21   | 3,66,28,480   | 1,89,05,219   |
| <b>Total expenses</b>  |      | <b>16,86,07,030</b>   | <b>15,33,42,750</b>   |
| <b>Profit/ (Loss) before tax</b>   |      | <b>44,11,372</b>  | <b>(2,23,78,835)</b>  |
| Tax expense :  |      |   |   |
| Current Tax  |      | -   | -   |
| Deferred Tax   |      | 30,10,112   | (62,14,747)   |
| <b>Profit/ (Loss) for the year</b>   |      | <b>14,01,260</b>  | <b>(1,61,64,088)</b>  |
| <b>Balance carried forward</b>   |      | <b>14,01,260</b>  | <b>(1,61,64,088)</b>  |
| <b>Earnings per share</b>  |      |   |   |
| Basic and diluted - par value Rs 10. per share   |      | 6.54  | (75.43)   |
| Significant Accounting Policies  | 2    |   |   |
| Accompanying Notes form an integral part of the Financial Statements   |      |   |   |
| As per our report of even date attached  |      |   |   |
| For V K BESWAL & ASSOCIATES<br>CHARTERED ACCOUNTANTS<br>Firm No. 101083W<br><br>CA Tanay Kedia<br>(Partner)<br>M No. 154778<br>Place : Mumbai<br>Date : 19 JUN 2017 |      | <br>Amit Dalmia<br>Director<br>DIN: 00210919 | <br>Arunanshu Agarwal<br>Director<br>DIN : 00166400 |



**ENCOMPASS DESIGN INDIA PRIVATE LIMITED**  
**Cash Flow Statement for the period ended 31 March 2017**

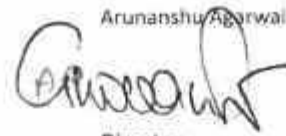
| Particulars   | As at 31st<br>March, 2017 | As at 31st March,<br>2016 |
|---|---------------------------|---------------------------|
| <b>A. Cash flows from operating activities</b>                        |                           |                           |
| Net Profit/(Loss) before taxation and extraordinary items             | 44,11,373                 | (2,23,78,835)             |
| <b>Adjustments for:</b>   |                           |                           |
| Depreciation  | 1,04,69,669               | 1,07,33,702               |
| Profit on Sale of Asset   |                           | (1,20,296)                |
| Taxes Paid  |                           | 79,643                    |
| Interest and Finance Charges  | 65,02,379                 | 50,17,348                 |
| Loss on sale of assets  |                           |                           |
| <b>Operating Loss before working capital changes</b>                  | 2,13,83,421               | (66,68,438)               |
| <b>Adjustments for:</b>   |                           |                           |
| Inventories   | (52,46,624)               | (1,53,83,368)             |
| Trade Receivables   | 5,77,92,956               | (2,10,39,825)             |
| Short Term Loans and Advances   | (8,54,228)                | 2,00,295                  |
| Other Current Assets  |                           |                           |
| Trade Payables  | (10,50,53,909)            | 10,24,55,800              |
| Other liabilities and provisions                                      | 2,26,23,229               | 19,48,582                 |
| <b>Cash generated from Operations</b>                                 | (93,55,155)               | 6,15,13,045               |
| Income taxes paid   |                           | 79,643                    |
| <b>Net Cash Flow from Operating Activities</b>                        | <b>(93,55,155)</b>        | <b>6,14,33,402</b>        |
| <b>B. Cash flows from Investing Activities</b>                        |                           |                           |
| Purchase of fixed assets  | (31,250)                  | (5,45,90,194)             |
| Sale of Asset   |                           | 25,00,000                 |
| <b>Net Cash Flow from Investing Activities</b>                        | <b>(31,250)</b>           | <b>(5,20,90,194)</b>      |
| <b>C. Cash flows from financing activities</b>                        |                           |                           |
| Increase in Share Capital   | 34,430                    | 6,05,890                  |
| Increase/(Decrease) in Share Application Money                        | (47,76,292)               | 39,76,292                 |
| Increase in Share Premium   | 51,67,943                 | 4,80,14,689               |
| Increase/(Decrease) in Borrowings                                     | (48,60,241)               | 2,55,08,858               |
| Increase/ (Decrease) in Other Long term Liabilities                   | 1,94,62,121               | (7,71,97,500)             |
| Increase/ (Decrease) in Other Long term Liabilities                   | 71,195                    | (5,32,370)                |
| Interest and Finance Charges  | (65,02,379)               | (50,17,348)               |
| Increase in Other Long term Advances                                  | -                         | (42,01,692)               |
| <b>Net cash generated from financing activities</b>                   | <b>85,96,777</b>          | <b>(88,43,181)</b>        |
| <b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b> | <b>(7,89,628)</b>         | <b>5,00,028</b>           |
| Cash and cash equivalents at the beginning of the year                | 9,96,660                  | 4,96,632                  |
| Cash and cash equivalents at the end of the year                      | <b>2,07,032</b>           | <b>9,96,660</b>           |

Accompanying Notes form an integral part of the Financial Statements.

For **V K BESWAL & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**  
Firm No. 101083W  
  
**CA Tanay Kedia**  
(Partner)  
M No. 154778  
Place : Mumbai  
Date: **19 JUN 2017**



  
**Amit Dalmia**  
Director  
DIN: 00210919

  
**Arunanshu Agarwal**  
Director  
DIN: 00166400

**ENCOMPASS DESIGN INDIA PRIVATE LIMITED**  
**Notes Forming Part of Financial Statements for the period March 31, 2017**

| Particulars   | Note       | As on 31st March, 2017 |                   | As on 31st March, 2016 |                   |
|---|------------|------------------------|-------------------|------------------------|-------------------|
| Share Capital   | 2          |                        |                   | No of Shares           | Amount in Rs.     |
| <b>Authorised</b>   |            |                        |                   |                        |                   |
| Equity Shares of Rs.10/- each   |            | 3,00,000               | 30,00,000         | 3,00,000               | 30,00,000         |
| Preference Shares of Rs.10/- each   |            | 1,50,000               | 15,00,000         | 1,50,000               | 15,00,000         |
|   |            | 4,50,000               | 45,00,000         | 4,50,000               | 45,00,000         |
| <b>Issued, Subscribed and fully paid up</b>   |            |                        |                   |                        |                   |
| Equity Shares of Rs.10/- each   |            | 2,14,289               | 21,42,890         | 2,14,289               | 21,42,890         |
| Preference Shares of Rs.10/- each   |            | 95,004                 | 9,50,040          | 91,561                 | 9,15,610          |
|   |            | 3,09,293               | 30,92,930         | 3,05,850               | 30,58,500         |
|   |            |                        |                   |                        |                   |
| <b>Reconciliation of No. of Shares outstanding at the beginning and end of the reporting period</b>   | <b>2.1</b> |                        |                   |                        |                   |
| Equity Shares of Rs.10/- each   |            |                        |                   |                        |                   |
| Outstanding at the beginning of the year  |            |                        | 2,14,289          |                        | 1,94,489          |
| Add : Allotted during the year  |            |                        | -                 |                        | 19,800            |
| Outstanding at the end of the year  |            |                        | 2,14,289          |                        | 2,14,289          |
| Preference Shares of Rs.10/- each   |            |                        |                   |                        |                   |
| Outstanding at the beginning of the year  |            |                        | 91,561            |                        | 50,772            |
| Add : Allotted during the year  |            |                        | 3,443             |                        | 40,789            |
| Outstanding at the end of the year  |            |                        | 95,004            |                        | 91,561            |
|   |            |                        |                   |                        |                   |
| <b>Rights, Preferences and restrictions attached to equity shares</b>   | <b>2.2</b> |                        |                   |                        |                   |
| The company has only one class of equity shares referred to as equity shares having a par value of Rs.10 per share. 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. |            |                        |                   |                        |                   |
|   |            |                        |                   |                        |                   |
| <b>Rights, Preferences and restrictions attached to Preference shares</b>   | <b>2.3</b> |                        |                   |                        |                   |
| The company has only one class of preference shares referred to as preference shares having a par value of Rs.10 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. |            |                        |                   |                        |                   |
|   |            |                        |                   |                        |                   |
| <b>Details of Shareholders holding more than 5% Equity shares in the Company</b>  | <b>2.4</b> |                        |                   |                        |                   |
|   |            | No of Shares           | % of Shareholding | No of Shares           | % of Shareholding |
| Amit Dalmia   |            | 72,250                 | 33.72%            | 72,250                 | 33.72%            |
| Vijay Kumar Agarwal   |            | 1,34,389               | 62.71%            | 1,34,389               | 62.71%            |
| <b>Details of Shareholders holding more than 5% Preference shares in the Company</b>  | <b>2.5</b> |                        |                   |                        |                   |
|   |            | No of Shares           | % of Shareholding | No of Shares           | % of Shareholding |
| Vijay Kumar Agarwal   |            | 7,629                  | 8.03%             | 5,511                  | 6.02%             |
| Arunanshu Agarwal   |            | 40,646                 | 42.78%            | 40,316                 | 44.03%            |
| M/s Vista ITCL (India) Limited  |            | 33,541                 | 35.30%            | 33,210                 | 36.27%            |
| <b>Note :</b>   |            |                        |                   |                        |                   |
| Name of the "M/s IL & FS Trust Company Limited" has been changed to M/s Vista ITCL (India) Limited" during the F.Y. 2016-17   |            |                        |                   |                        |                   |
| <b>Details pursuant to Part I of Schedule III of the Companies Act, 2013</b>  |            |                        |                   |                        |                   |
|   |            |                        |                   |                        |                   |
| <b>Equity Shares :</b>  |            |                        |                   |                        |                   |
| Fully paid up pursuant to contract(s) without payment being received in cash  |            |                        | NIL               |                        | NIL               |
| Fully paid up by way of bonus shares  |            |                        | NIL               |                        | NIL               |
| Shares bought back  |            |                        | NIL               |                        | NIL               |
|   |            |                        |                   |                        |                   |



**ENCOMPASS DESIGN INDIA PRIVATE LIMITED**  
**Notes Forming Part of Financial Statements for the period March 31, 2017**

| Particulars  | Note       | As on 31st March, 2017 |                      | As on 31st March, 2016 |                      |
|--|------------|------------------------|----------------------|------------------------|----------------------|
| <b>Reserves and Surplus</b>  | <b>3</b>   |                        |                      |                        |                      |
| <b>Surplus in Statement of Profit and Loss</b>   |            |                        |                      |                        |                      |
| Opening balance  |            |                        | (3,45,89,254)        |                        | (1,84,25,166)        |
| Add: Net Profit for the current year   |            |                        | 14,01,260            |                        | (1,61,64,088)        |
| Closing Balance  |            |                        | <b>(3,31,87,994)</b> |                        | <b>(3,45,89,254)</b> |
| <b>Share Premium Account</b>   |            |                        |                      |                        |                      |
| Opening balance  |            |                        | 7,81,05,259          |                        | 3,00,90,570          |
| Add: Added during the current year   |            |                        | 51,67,943            |                        | 4,80,14,689          |
| Closing Balance  |            |                        | <b>8,32,73,202</b>   |                        | <b>7,81,05,259</b>   |
| <b>Total Reserves and Surplus</b>  |            |                        | <b>5,00,85,208</b>   |                        | <b>4,35,16,005</b>   |
| <b>Deferred Tax Liability</b>  | <b>4</b>   |                        |                      |                        |                      |
| <u>Deferred Tax Liability</u>  |            |                        |                      |                        |                      |
| Net Block as per Companies Act   |            | 8,21,71,288            |                      | 9,26,09,708            |                      |
| Net Block as per Income Tax Act  |            | 23,16,788              |                      | 36,18,057              |                      |
| Difference   |            |                        | 7,98,54,501          |                        | 8,89,91,650          |
| Deferred tax liability (A)   |            | 25.7500%               | 2,05,62,534          | 30.9000%               | 2,74,98,420          |
| <u>Deferred tax assets</u>   |            |                        |                      |                        |                      |
| Expenditure to be disallowed u/s 43B -   |            |                        |                      |                        |                      |
| Gratuity   |            |                        |                      | 1,24,659               |                      |
| Business Loss  |            | 11,95,47,365           |                      | 13,10,30,670           |                      |
| Unabsorbed Depreciation Loss   |            | 38,63,525              | 12,34,10,890         | 38,74,776              | 13,50,30,105         |
| Deferred tax assets(B)   |            | 25.7500%               | 8,17,78,304          | 30.9000%               | 4,17,24,302          |
| Deferred Tax Asset (Net)   |            |                        | 1,12,15,770          |                        | 1,42,25,882          |
| Less : Deferred Tax Asset (Net) (Opening)  |            |                        | 1,42,25,882          |                        | (37,37,779)          |
| <b>To be Dr/(Cr) in the P &amp; L</b>  |            |                        | <b>30,10,112</b>     |                        | <b>(1,79,63,662)</b> |
| <b>Other Long Term Liabilities</b>   | <b>5</b>   |                        |                      |                        |                      |
| Canara Bank Loan A/c   |            | 50,80,137              |                      |                        |                      |
| Inter-Corporate Loans  |            | 31,35,814              |                      |                        |                      |
| Loan from Sister Concern   |            |                        |                      |                        |                      |
| Loan From Director   |            | 1,40,48,670            |                      | 28,02,500              | 28,02,500            |
|  |            |                        | <b>2,22,64,621</b>   |                        | <b>28,02,500</b>     |
| <b>Long Term Provisions</b>  | <b>6</b>   |                        |                      |                        |                      |
| <u>Provision for Employee benefits:</u>  |            |                        |                      |                        |                      |
| Gratuity   |            |                        | 1,95,854             |                        | 1,24,656             |
| <b>Total Other Long Term Liabilities</b>   |            |                        | <b>1,95,854</b>      |                        | <b>1,24,656</b>      |
| <b>Short Term Borrowings</b>   | <b>7</b>   |                        |                      |                        |                      |
| CC limits from Canara Bank *   |            | 2,00,66,677            |                      | 2,45,52,884            |                      |
| CC limits from RBL Bank Ltd **   |            | 2,46,50,678            |                      | 2,50,24,712            |                      |
| *[The above loan is secured against hypothecation of Stock and Book debts. Further security has been offered by way of Corporate Guarantee of [M/s. Creative Global Services Private Limited]  |            |                        |                      |                        |                      |
| **[The above loan is secured against First Paripasu charge on current assets(Current & Future) & hypothecation on Fixed assets(except Vechicles) with other working capital Lenders. 30% of share of company are also pledged as Security.]  |            |                        |                      |                        |                      |
| <b>Total Short Term Borrowings</b>   |            |                        | <b>4,47,17,355</b>   |                        | <b>4,95,77,596</b>   |
| <b>Trade Payables</b>  | <b>8</b>   |                        |                      |                        |                      |
| Trade payables (Refer Note 8.1 and 8.2)  |            |                        | 1,38,48,607          |                        | 11,89,02,516         |
| <b>Total Trade Payables</b>  |            |                        | <b>1,38,48,607</b>   |                        | <b>11,89,02,516</b>  |
| The Company has not received any intimation from 'suppliers' regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid/payable as required under the said Act have not been given. | <b>8.1</b> |                        |                      |                        |                      |
| Trade payables are subject to reconciliation and confirmation.   | <b>8.2</b> |                        |                      |                        |                      |



## Schedule 10: Fixed Assets

## Tangible Assets

| Particulars             | Gross block         |                            |                          | Accumulated depreciation |                     |                            | Net block           |                    |
|-------------------------|---------------------|----------------------------|--------------------------|--------------------------|---------------------|----------------------------|---------------------|--------------------|
|                         | As at<br>01/04/2016 | Additions till<br>31-03-17 | Deletions<br>till 31-03- | As at<br>31/03/2017      | As at<br>01/04/2016 | Additions till<br>31-03-17 | As at<br>31/03/2017 | As at<br>1/04/2016 |
| Computers & Peripherals | 4,82,162            | 31,250                     | -                        | 5,13,412                 | 1,84,787            | 1,49,238                   | 1,79,386            | 2,97,374           |
| Furniture & Fixtures    | 16,77,281           | -                          | -                        | 16,77,281                | 2,41,554            | 1,59,342                   | 12,76,385           | 14,35,727          |
| Office Equipment        | 4,96,274            | -                          | -                        | 4,96,274                 | 90,525              | 31,414                     | 3,74,335            | 4,05,749           |
| <b>Total</b>            | <b>26,55,717</b>    | <b>31,250</b>              | <b>-</b>                 | <b>26,86,967</b>         | <b>5,15,866</b>     | <b>3,39,994</b>            | <b>18,30,107</b>    | <b>21,38,851</b>   |

## Intangible Assets

| Particulars          | Gross block         |                            |                          | Accumulated depreciation |                     |                               | Net block           |                    |
|----------------------|---------------------|----------------------------|--------------------------|--------------------------|---------------------|-------------------------------|---------------------|--------------------|
|                      | As at<br>01/04/2016 | Additions till<br>31-03-17 | Deletions<br>till 31-03- | As at<br>31/03/2017      | As at<br>01/04/2016 | Depreciation<br>till 31-03-17 | As at<br>31/03/2017 | As at<br>1/04/2016 |
| BED BATH MORE BRANDS | 9,47,99,620         | -                          | -                        | 9,47,99,620              | 1,07,12,868         | 94,79,962                     | 7,46,06,790         | 8,40,86,752        |
| Software             | 68,39,080           | -                          | -                        | 68,39,080                | 4,54,976            | 6,49,713                      | 57,34,391           | 63,84,104          |
| <b>Total</b>         | <b>10,16,38,700</b> | <b>-</b>                   | <b>-</b>                 | <b>10,16,38,700</b>      | <b>1,11,67,844</b>  | <b>1,01,29,675</b>            | <b>8,03,41,181</b>  | <b>9,04,70,856</b> |

|                     |                     |               |          |                     |                    |                    |                    |                    |
|---------------------|---------------------|---------------|----------|---------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Grand Totals</b> | <b>10,42,94,417</b> | <b>31,250</b> | <b>-</b> | <b>10,43,25,667</b> | <b>1,16,84,710</b> | <b>1,04,69,669</b> | <b>2,21,54,379</b> | <b>9,26,09,707</b> |
|---------------------|---------------------|---------------|----------|---------------------|--------------------|--------------------|--------------------|--------------------|



**ENCOMPASS DESIGN INDIA PRIVATE LIMITED**  
**Notes Forming Part of Financial Statements for the period March 31, 2017**

| Particulars  | Note      | As on 31st March, 2017 |                    | As on 31st March, 2016 |                    |
|--|-----------|------------------------|--------------------|------------------------|--------------------|
| <b>Other Current Liabilities</b>   | <b>9</b>  |                        |                    |                        |                    |
| Bank Overdraft   |           |                        |                    |                        | 5,25,166           |
| Outstanding Liabilities  | 9.1       |                        | 5,61,356           |                        | 5,40,179           |
| Security Deposits Payables   | 9.2       |                        | 18,203             |                        | 50,000             |
| Statutory Dues   | 9.3       |                        | 17,45,812          |                        | 6,01,875           |
| Creditors for Expenses   | 9.4       |                        | 2,61,64,482        |                        | 1,59,09,316        |
| Advances from employees  | 9.5       |                        | 7,954              |                        | 1,17,175           |
| Advances from Customers  | 9.6       |                        | 1,21,23,376        |                        | 2,54,244           |
| <b>Total Other Current Liabilities</b>                                     |           |                        | <b>4,06,21,184</b> |                        | <b>1,79,97,954</b> |
| <b>Long Term Loans and Advances<br/>(Unsecured and Considered Good)</b>    | <b>11</b> |                        |                    |                        |                    |
| Security Deposits  |           |                        |                    |                        |                    |
| - With Govt. Bodies  |           |                        | 25,000             |                        | 25,000             |
| - With Others  |           |                        | 43,68,000          |                        | 43,69,040          |
| Other Current Assets   |           |                        | 1,040              |                        |                    |
| <b>Total Long Term Loans and Advances</b>                                  |           |                        | <b>43,94,040</b>   |                        | <b>43,94,040</b>   |
| <b>Inventories</b>   | <b>12</b> |                        |                    |                        |                    |
| As certified by the management   |           |                        |                    |                        |                    |
| Finished goods (Valued at cost or Net realisable value whichever is lower) |           |                        | 6,62,65,307        |                        | 6,10,18,683        |
| Stores and spares  |           |                        |                    |                        |                    |
| <b>Total Inventories</b>   |           |                        | <b>6,62,65,307</b> |                        | <b>6,10,18,683</b> |
| <b>Trade Receivables<br/>(Unsecured, considered good)</b>                  | <b>13</b> |                        |                    |                        |                    |
| Outstanding for a period exceeding Six months                              |           |                        | 57,84,831          |                        | 70,22,216          |
| Others   |           |                        | 42,98,776          |                        | 6,08,54,347        |
| <b>Total Trade Receivables</b>   |           |                        | <b>1,00,83,607</b> |                        | <b>6,78,76,563</b> |
| <b>Cash and Bank Balances</b>  | <b>14</b> |                        |                    |                        |                    |
| Cash on Hand   |           |                        | 1,22,836           |                        | 9,53,800           |
| Balances with Banks  |           |                        |                    |                        |                    |
| In Current Accounts  |           |                        | 84,196             |                        | 42,860             |
| In Fixed Deposits  |           |                        |                    |                        |                    |
| <b>Total Cash and Bank Balances</b>  |           |                        | <b>2,07,032</b>    |                        | <b>9,96,660</b>    |
| <b>Short Term Loans and Advances<br/>(Unsecured, considered good)</b>      | <b>15</b> |                        |                    |                        |                    |
| Advances to related parties  |           |                        | -                  |                        | -                  |
| Prepaid Expenses   |           |                        | 1,18,196           |                        | 57,299             |
| Balance with Statutory Authorities   |           |                        | 13,29,678          |                        | 95,328             |
| Advances to Employees  |           |                        | 1,76,382           |                        | 6,20,657           |
| Advance to Creditors   |           |                        | 8,40,650           |                        | 30,61,202          |
| Advances to others   |           |                        | 22,23,808          |                        |                    |
| <b>Total Short Term Loans and Advances</b>                                 |           |                        | <b>46,88,714</b>   |                        | <b>38,34,486</b>   |



| ENCOMPASS DESIGN INDIA PRIVATE LIMITED                          |      |                                |                     |                                   |                      |
|---|------|--------------------------------|---------------------|-----------------------------------|----------------------|
| Notes Forming Part of Financial Statements for the FY 2016-2017 |      |                                |                     |                                   |                      |
| Particulars   | Note | Year ended<br>31st March, 2017 |                     | Year ended<br>on 31st March, 2016 |                      |
| <b>Revenue from Operations:</b>                                 | 16   |                                |                     |                                   |                      |
| <u>Sale of Products</u>   | 16A  | 15,37,72,133                   |                     | 12,76,19,905                      |                      |
| <u>Sale of Services</u>   | 16B  | 1,92,39,941                    |                     | 24,59,292                         |                      |
| <b>Total</b>  |      |                                | <b>17,30,12,074</b> |                                   | <b>13,00,79,197</b>  |
| <b>Other Income:</b>  | 17   |                                |                     |                                   |                      |
| Interest Received   |      | 6,307                          |                     | 9,476                             |                      |
| Miscellaneous Income  | 21   |                                |                     | 1,94,081                          |                      |
| Commission Income   |      |                                |                     | 34,496                            |                      |
| Reversal of provision of Gratuity                               |      |                                |                     | 5,32,370                          |                      |
| Profit on Sale of Asset   |      |                                |                     | 1,20,296                          |                      |
| <b>Total</b>  |      |                                | <b>6,328</b>        |                                   | <b>8,84,719</b>      |
| <b>(Increase)/Decrease in Inventories</b>                       | 18   |                                |                     |                                   |                      |
| Opening Stock of Finished Goods                                 |      | 5,10,18,683                    |                     | 4,56,35,315                       |                      |
| Less: Returns out of Opening Stock                              |      |                                |                     |                                   |                      |
| Less: Closing Stock of Finished Goods                           |      | 5,62,65,307                    |                     | 5,10,18,683                       |                      |
|   |      |                                | <b>(52,46,624)</b>  |                                   | <b>(1,53,83,368)</b> |
| <b>Employee Benefits Expense</b>                                | 19   |                                |                     |                                   |                      |
| Salaries, Wages and Other Benefits                              |      | 68,89,387                      |                     | 1,27,98,793                       |                      |
| Staff Welfare Expenses  |      | 1,30,308                       |                     | 5,59,535                          |                      |
|   |      |                                | <b>50,19,695</b>    |                                   | <b>1,33,58,328</b>   |
| <b>Finance Costs</b>  | 20   |                                |                     |                                   |                      |
| Discount  |      |                                |                     |                                   |                      |
| Interest  |      | 65,02,379                      |                     | 50,17,348                         |                      |
|   |      |                                | <b>65,02,379</b>    |                                   | <b>50,17,348</b>     |
| <b>Other Expenses</b>   | 21   |                                |                     |                                   |                      |
| Administrative/Selling and General Expenses                     |      | 42,090                         |                     | -                                 |                      |
| Housekeeping Expenses   |      | 37,744                         |                     | 12,52,266                         |                      |
| Printing and Stationary   |      | 5,778                          |                     | 2,88,301                          |                      |
| Auditors Remuneration *   |      | 1,20,238                       |                     | 1,15,000                          |                      |
| Legal Professional and Consultancy Charges                      |      | 1,30,000                       |                     | 32,78,267                         |                      |
| Travelling and Conveyance Expenses                              |      | 18,86,917                      |                     | 18,63,784                         |                      |
| Transport   |      | 2,96,615                       |                     |                                   |                      |
| Internet Gateway and Domain charges                             |      | 1,35,600                       |                     | 22,75,159                         |                      |
| Insurance Charges   |      | 11,32,733                      |                     | 2,89,889                          |                      |
| Miscellaneous Expenses  |      | 1,10,916                       |                     | 7,11,945                          |                      |
| Marketing Expenses **   |      | 25,677                         |                     | 32,69,618                         |                      |
| Other interest  |      | 21,02,195                      |                     | 77,852                            |                      |
| Postage and Courier Charges                                     |      | 1,16,737                       |                     | 17,91,249                         |                      |
| Electricity Charges   |      | 6,43,264                       |                     | 11,50,384                         |                      |
| Rent, Rates and Taxes   |      | 1,35,771                       |                     | 10,30,043                         |                      |
| Registration and Filing Fees                                    |      | 23,72,237                      |                     | 1,20,130                          |                      |
| Repairs and Maintenance   |      | 1,84,126                       |                     | 5,05,217                          |                      |
| Telephone Expenses  |      | 3,63,713                       |                     | 1,91,622                          |                      |
| Bad Debts   |      | 42,425                         |                     | -                                 |                      |
| Bank Charges  |      | 14,67,334                      |                     | 4,11,080                          |                      |
| Contract Charges  |      | 3,59,500                       |                     |                                   |                      |
| Job Work Charges  |      | 1,15,36,264                    |                     | 2,83,413                          |                      |
| Commission  |      | 55,607                         |                     |                                   |                      |
|   |      | 1,33,25,000                    |                     |                                   |                      |
|   |      |                                | <b>3,66,28,480</b>  |                                   | <b>1,89,05,219</b>   |
| <b>*Auditors Remuneration</b>                                   |      |                                |                     |                                   |                      |
| Audit fee   |      | 1,30,000                       |                     | 86,250                            |                      |
| Tax Audit   |      |                                |                     | 28,750                            |                      |
|   |      |                                | <b>1,30,000</b>     |                                   | <b>1,15,000</b>      |
| <b>**Marketing Expenses</b>                                     |      |                                |                     |                                   |                      |
| Current year  |      | 21,02,195                      |                     | 32,69,618                         |                      |
| Prior Period  |      | -                              |                     |                                   |                      |
|   |      |                                | <b>21,02,195</b>    |                                   | <b>32,69,618</b>     |
| <b>Depreciation and Amortization</b>                            |      |                                |                     |                                   |                      |
| On tangible assets  |      | 3,39,994                       |                     | 7,98,764                          |                      |
| On intangible assets  |      | 1,01,29,675                    | <b>1,04,69,669</b>  | 99,34,838                         | <b>1,07,33,702</b>   |



|   | 31/03/2017   | 31/03/2017         | 31/03/2016  | 31/03/2016          |
|---|--------------|--------------------|-------------|---------------------|
| <b>Note 8: Trade Payables</b>                   |              |                    |             |                     |
| <b>Creditors for Goods</b>                      |              |                    |             |                     |
| Aggarwal Plywood & Timber Store                 | -            | -                  | 9795        |                     |
| Anantam   | -            | -                  | 2793        |                     |
| Anika Apparels Pvt. Ltd. - Creditors            | 1,73,619.00  | -                  | 173619      |                     |
| ANS Apparels                                    | -            | -                  | 623         |                     |
| Bergner Impex (India) Private Limited           | 18,587.00    | -                  | 18587       |                     |
| Bianca  | -            | -                  | 7913        |                     |
| Bodyline Creations                              | -            | -                  | 180         |                     |
| Bombay Furnitures                               | -            | -                  | 229712      |                     |
| Creative Garments Private Ltd                   | 1,11,268.78  | -                  | 1409862.54  |                     |
| Creative Global Services Private Limited        | 33,55,374.82 | -                  | 56440227.95 |                     |
| Creative Portico (India) Pvt Ltd (Domestic Div) | 36750        | -                  | 36750       |                     |
| Creative Portico Private Limited                | 25,07,449.00 | -                  | 29468525    |                     |
| Creative Textile Mills Pvt. Ltd.                | -            | -                  | 1352205     |                     |
| Diamond Interiors                               | 11,797.00    | -                  | -           |                     |
| Dicitec Retail Pvt Ltd                          | 10,10,452.86 | -                  | 1735588.25  |                     |
| Dolphin Bean Bags                               | 2,04,600.00  | -                  | 10499       |                     |
| Dreams Linen Pvt Ltd                            | -            | -                  | 6780        |                     |
| East Coast Distributors Pvt Ltd                 | -            | -                  | 25712       |                     |
| Elephant Company Retail Pvt Ltd                 | -            | -                  | 28936       |                     |
| Envogue Furnishings (India) Pvt Ltd.            | -            | -                  | 3116        |                     |
| Eterna Enterprises(P) LTD.                      | -            | -                  | 2230        |                     |
| Excel Creations                                 | -            | -                  | 42106       |                     |
| FNS International Pvt Ltd                       | 6,663.00     | -                  | 12140       |                     |
| Gulimphar Comforts Pvt Ltd                      | 1,743.00     | -                  | 2539        |                     |
| Home Collective India Pvt Ltd                   | 2,710.00     | -                  | 0           |                     |
| House of Clocks & Watches Pvt Ltd               | -            | -                  | 5135        |                     |
| H P Associates                                  | -            | -                  | 118085      |                     |
| Indian Home Variations & Distributions LLP      | 49,563.84    | -                  | 172105.38   |                     |
| International Trade Linkers                     | 97,984.00    | -                  | -           |                     |
| Ishwar Steel                                    | -            | -                  | 41685       |                     |
| Jhaveri Bros. Manufacturing India P. Ltd.       | -            | -                  | 248         |                     |
| Kaana   | 29,526.70    | -                  | 42570.7     |                     |
| Linen Design Company Private Limited            | 4,42,304.21  | -                  | 299988.98   |                     |
| Magick Woods Exports Pvt Ltd                    | 6,993.00     | -                  | -           |                     |
| Mahalekmi Arts                                  | 11,665.00    | -                  | -           |                     |
| Mauria Udyog Ltd                                | 3,190.00     | -                  | -           |                     |
| M. H. Windows Decor Pvt. Ltd.                   | -            | -                  | 13331       |                     |
| Minaxi Electric & Hardware Stores               | -            | -                  | 3250        |                     |
| Mohammadi Frames                                | -            | -                  | 38703       |                     |
| Nandu Trading Co.                               | -            | -                  | 20500       |                     |
| National Plastic Industries Ltd                 | 7,191.00     | -                  | 43328       |                     |
| Natures Mania                                   | 518.00       | -                  | 518         |                     |
| Open Sesame                                     | 1,365.00     | -                  | 0           |                     |
| Patio Furniture Export                          | 13,362.00    | -                  | 0           |                     |
| Petals  | 1,14,392.00  | -                  | 160915      |                     |
| Pure Play Media                                 | -            | -                  | 3056        |                     |
| Rajrabhu Traders Pvt Ltd                        | -            | -                  | 15764       |                     |
| Raymond Limited                                 | 24,795.10    | -                  | 1639268.1   |                     |
| Real Innerspring Technologies Pvt Ltd           | 67,863.00    | -                  | 69926       |                     |
| Renaissance Creations Pvt Ltd                   | -            | -                  | 15186       |                     |
| SS Home Pvt Ltd                                 | -            | -                  | 5196        |                     |
| Sands Incorporation                             | -            | -                  | 3659        |                     |
| Shraddha Synthetics Pvt Ltd                     | 42,36,841.00 | -                  | 0           |                     |
| SMG Interdecor Pvt Ltd                          | -            | -                  | 12587277    |                     |
| Spacewood Office Solutions Pvt Ltd              | 3,031.00     | -                  | -           |                     |
| Spread Home Products Pvt. Ltd.                  | 16,470.59    | -                  | 137608.59   |                     |
| Texttrade International Ltd                     | 9,496.00     | -                  | -           |                     |
| Tree of Life                                    | -            | -                  | 5512.48     |                     |
| Tuni Textile Mills Ltd                          | -            | -                  | 10114260    |                     |
| Viral Enterprises                               | -            | -                  | 11484       |                     |
| Welspun Global Brands Limited                   | 25,870.00    | -                  | 2702318     |                     |
| Winmark Enterprises Pvt Ltd                     | 66,518.00    | -                  | 7296        |                     |
| Wonderchef Home Appliances Pvt Ltd.             | -            | -                  | 21517       |                     |
| Yellows Spun And Linens Pvt Ltd                 | 5,70,545.00  | -                  | -           |                     |
| Habitat Craft                                   | -            | -                  | 2376        |                     |
| Home Enterprises                                | 55,728.00    | -                  | -           |                     |
| M.S International                               | 34,680.00    | -                  | -           |                     |
| Style Homes Incorporation                       | 5,18,700.00  | -                  | -           |                     |
| <b>Total</b>                                    |              | <b>1,38,48,607</b> |             | <b>11,88,22,506</b> |



|  | 31/03/2017   | 31/03/2017            | 31/03/2016 | 31/03/2016      |
|--|--------------|-----------------------|------------|-----------------|
| <b>Note 8.2: Trade Payables</b>                  |              |                       |            |                 |
| <b>Sundry Creditors For Projects</b>             |              |                       |            |                 |
| Abdulla Glass Center                             | 1,51,157.00  |                       |            |                 |
| Amardeep Designs India P Ltd                     | 1,08,940.00  |                       |            |                 |
| Crystal Glass                                    | 20,250.00    |                       |            |                 |
| Hina Electricals                                 | 28,679.00    |                       |            |                 |
| Homecraft Online Private Limited                 | 80,98,419.62 |                       |            |                 |
| Iqra Fabrication                                 | 85,519.00    |                       |            |                 |
| Jai Mahakali Enterprises                         | 85,424.00    |                       |            |                 |
| Jalaram Lights Studio                            | 2,120.00     |                       |            |                 |
| Kamal Marbles                                    | 1,46,321.00  |                       |            |                 |
| Keshnath S. Sahani                               | 12,221.00    |                       |            |                 |
| Komal Decorators Painting Contractor             | 67,150.00    |                       |            |                 |
| Majestic Woodkraft                               | 3,89,981.00  |                       |            |                 |
| M. H. Windows Decor Pvt. Ltd.                    | 5,35,705.00  |                       |            |                 |
| Mrudu Aluminium                                  | 3,34,532.00  |                       |            |                 |
| Neha Enterprises                                 | 27,700.00    |                       |            |                 |
| Parryware Care                                   | 83,298.00    |                       |            |                 |
| PCM Interiors                                    | 82,161.00    |                       |            |                 |
| Prakash Electric & Hardware Stores               | 1,30,466.00  |                       |            |                 |
| Real Innerspring Technologies Pvt Ltd -Vat       | 31,631.00    |                       |            |                 |
| Rich Flora Pest Control Services                 | 250.00       |                       |            |                 |
| Ronak Electricals                                | 69,026.00    |                       |            |                 |
| R. R. INTERIORS                                  | 84,437.00    |                       |            |                 |
| Rukmuddin Hyder Shaikh                           | 5,200.00     |                       |            |                 |
| Shah Ply & Wood                                  | 6,06,083.00  |                       |            |                 |
| Shri Shakti Facilities Services                  | 10,000.00    |                       |            |                 |
| Spas Storage Solutions                           | 28,352.00    |                       |            |                 |
| Super Cool                                       | 58,048.00    |                       |            |                 |
| T.Com Network Solution                           | 82,008.00    |                       |            |                 |
| The Urban Decor Group                            | 65,504.00    |                       |            |                 |
| Venus Systems Solutions                          | 11,691.00    |                       |            |                 |
| Vijay Aluminium & Glass                          | 8,000.00     |                       |            |                 |
| Vivek Singh                                      | 5,44,400.00  |                       |            |                 |
| <b>Total</b>                                     |              | <b>1,20,04,673.62</b> |            |                 |
| <b>Note 9: Other Current Liabilities</b>         |              |                       |            |                 |
| <b>9.1 Outstanding Liabilities</b>               |              |                       |            |                 |
| Audit Fees Payable                               | 1,30,000.00  |                       | 115000     |                 |
| Salary Payable                                   | 3,85,489.00  |                       | 405655     |                 |
| Provision for Expenses                           | 39,894.00    |                       | 0          |                 |
| Telephone Expenses Payable                       | 5,973.00     |                       | 19523.71   |                 |
|  |              | <b>3,61,356</b>       |            | <b>3,40,179</b> |
| <b>9.2 Other Payables</b>                        |              |                       |            |                 |
| Security Deposit-Locville Online Private Limited | 18,203       |                       | 20000      |                 |
| Security Deposit-Dealamazing.Com                 |              |                       | 30000      |                 |
|  |              | <b>18,203</b>         |            | <b>50,000</b>   |
| <b>9.3 Statutory Dues</b>                        |              |                       |            |                 |
| TDS on Interest                                  | 15,090       |                       | 8,302      |                 |
| TDS on Contract                                  | 9,152        |                       | 5,140      |                 |
| TDS on Commission-Brokerage                      | 6,50,000     |                       |            |                 |
| Tds on Plant & Machinery Rent - 94)              | 1,075        |                       |            |                 |
| TDS on Rent                                      | 4,515        |                       | 4,515      |                 |
| TDS on Professional Fees                         |              |                       | 7,001      |                 |
| TDS on Salary                                    | 4,911        |                       | 4,246      |                 |
| <b>TDS Payable</b>                               |              | <b>6,84,743</b>       |            | <b>29,204</b>   |
| CST Payable                                      | 14,256       |                       |            |                 |
| Employee's Cont. to P.F.                         | 12,997       |                       | 46,072     |                 |
| Employees' Contn to ESIC                         |              |                       | 238        |                 |
| Gratuity Payable                                 |              |                       |            |                 |
| VAT Payable                                      | 10,59,129    |                       | 309870     |                 |
| Profession Tax                                   | 3,200        |                       | 2000       |                 |
| Service Tax Payable                              | 0            |                       | 214491     |                 |
| <b>Other Statutory Dues Payable</b>              |              | <b>10,61,069</b>      |            | <b>572671</b>   |
| <b>Total Statutory dues</b>                      |              | <b>17,45,812</b>      |            | <b>6,01,875</b> |



|  | 31/03/2017 | 31/03/2017 | 31/03/2016 | 31/03/2016 |
|--|------------|------------|------------|------------|
| <b>9.4 Creditors for Expenses</b>            |            |            |            |            |
| 21 Trends Private Limited                    | 0          |            | 80010      |            |
| Aarya Logistics Solutions Pvt Ltd            | 83,736     |            |            |            |
| Ajay Dubey                                   | 4,000      |            |            |            |
| Ananda Shripati Jadhav                       | 0          |            | 4400       |            |
| Assured Advertising & Media Pvt Ltd          | 2,24,293   |            | 374293     |            |
| B.B.Jain & Associates                        | 0          |            | 6840       |            |
| Best Electrical Undertaking                  | 12,690     |            | 5030       |            |
| Bipin Narshi Shah                            | 13,549     |            |            |            |
| Bosco A.S.D Souza                            | 0          |            | 7500       |            |
| Cama Industrial Estate Association           | 0          |            | 6462       |            |
| Darshini Bipin Shah                          | 13,549     |            |            |            |
| Facebook                                     | 77,28,202  |            | 7728202.36 |            |
| FedEx Express Services (India) Pvt. Ltd      | 0          |            | 194078.41  |            |
| Fred Travels Pvt. Ltd.                       | 3,320      |            |            |            |
| Global Housekeeping and Facility Management  | 0          |            | 11689      |            |
| GOOGLE INDIA PVT LTD                         | 24,25,668  |            | 2425668.35 |            |
| Grofigo Creation                             | 300        |            |            |            |
| Kamal Kishor Sharma                          | 2,000      |            |            |            |
| Kamal Steel                                  | 5,747      |            |            |            |
| Klass Enterprises                            | 0          |            | 1698       |            |
| Kunai Consultancy Private Limited            | 0          |            | 7980       |            |
| Kushal Jajodia                               | 0          |            | 7000       |            |
| Lex Firmus                                   | 0          |            | 59000      |            |
| Mangal Compusolution Pvt Ltd                 | 0          |            | 57389      |            |
| Mangesh Fatil                                | 40,000     |            |            |            |
| Mamta Nagda                                  | 10,800     |            |            |            |
| Mazda Imaging Pvt Ltd                        | 3,413      |            |            |            |
| Merging Layers                               | 52,000     |            | 208000     |            |
| Microart Systems (India) Pvt. Ltd.           | 6,598      |            | 8543.93    |            |
| Moe's Art Private Limited                    | 5,04,500   |            | 516500     |            |
| Moti Singh Chouhan                           | 1,500      |            |            |            |
| Nayna Shailesh Shah                          | 13,411     |            |            |            |
| Netmagic IT Services Private Limited         | 5,46,093   |            | 6446.34    |            |
| Netmagic Solutions Pvt Ltd                   | 99,188     |            | 488        |            |
| Nexus Computers Pvt Ltd                      | 2,44,440   |            | 758836     |            |
| Nitin Mishra                                 | 10,000     |            | 2500       |            |
| Nu-Dezine Furniture                          | 0          |            | 214083     |            |
| Nyasa Enterprises                            | 0          |            | 478500     |            |
| One97 Communications Limited                 | 0          |            | 11236      |            |
| Paradox Communications Private Ltd           | 1,05,000   |            |            |            |
| Paris Collection                             | 0          |            | 2468       |            |
| Playce                                       | 0          |            | 18240      |            |
| Poonam Enterprise                            | 0          |            | 6036       |            |
| Prakash Electric & Hardware Stores           | 0          |            | 35190      |            |
| Proshots                                     | 0          |            | 16584      |            |
| Quickdel Logistics Private Limited           | 0          |            | 62412      |            |
| Quikchex Pvt Ltd                             | 0          |            | 25617      |            |
| Rachakrishnan Ashokkumar                     | 6,680      |            |            |            |
| Ravindra R.Sharma                            | 0          |            | 9907       |            |
| Right Choice Tours N Travels Private Limited | 5,161      |            | 5161       |            |
| R. Jadhav Seating System                     | 0          |            | 2650       |            |
| Sai Pooja Enterprises                        | 3,430      |            | 4515       |            |
| Sadguru Aqua                                 | 0          |            | 6700       |            |
| Saharshi Professional Services               | 0          |            | 3000       |            |
| Scarecrow Communications Ltd                 | 3,65,340   |            | 665340     |            |
| Seema S. Dubey                               | 0          |            | 72270      |            |
| Shah Mepshi Narshi                           | 1,458      |            |            |            |
| Shailesh Narshi Shah                         | 13,549     |            |            |            |
| Shivaam Cloud Services Pvt Ltd               | 16,957     |            | 14997      |            |
| Shiv International                           | 0          |            | 1949       |            |
| Shree Anbhat Maintenance                     | 31,987     |            | 31814      |            |
| Siddhivinayak Enterprises                    | 0          |            | 8774       |            |
| S K Constellation Blu Advisory Pvt. Ltd.     | 0          |            | 386750     |            |
| S K Enterprises                              | 6,215      |            | 4114.88    |            |
| Smruti Digital                               | 35,630     |            | 71692      |            |
| Sokrati Technologies Pvt Ltd                 | 3,41,824   |            | 441824     |            |
| SSN Logistics Pvt Ltd                        | 65,347     |            | 88129.4    |            |
| Standard Stationers & Printers               | 0          |            | 11117      |            |
| Superior Frames                              | 5,958      |            |            |            |
| Sutra Services Pvt Ltd                       | 0          |            | 28291      |            |
| T.Com Network Solution                       | 0          |            | 35007      |            |
| Tanay Kedia                                  | 10,000     |            | 10000      |            |
| TATA Communications                          | 0          |            | 58997      |            |
| The American Express Corporate Card          | 0          |            | 2622.3     |            |



|   | 31/03/2017   | 31/03/2017   | 31/03/2016   | 31/03/2016   |
|---|--------------|--------------|--------------|--------------|
| <b>Schedule 15: Short Term Loans and Advances</b> |              |              |              |              |
| Prepaid Expenses                                  | 1,18,196     |              |              |              |
| Balance with Statutory Authorities                |              |              |              |              |
| TDS 2014-2015                                     |              |              | 79643        |              |
| TDS Receivable 2016-17                            | 4,70,939     |              |              |              |
| CST Payable                                       |              |              | 15684.65     |              |
| Krishi Kalyan Cess- 0.50% (Input)                 | 0            |              |              |              |
| Output Vat 5.5%                                   | 0            |              |              |              |
| Service Tax Input @ 14%                           | 829128       |              |              |              |
| Krishi Kalyan Cess- 0.50% (Input)                 | 29,611       |              |              |              |
|   |              | 13,29,678    |              | 95,328       |
| <b>Advance to employees</b>                       |              |              |              |              |
| Amit Joshi (Adv)                                  | 0            |              | 1000         |              |
| Anagha Pansare                                    | 0            |              | 379          |              |
| ANISH GEORGE (ADV)                                | 1,000        |              | 9000         |              |
| Bharath Belur ( Adv. )                            | 0            |              | 8000         |              |
| Dhananjay Singh (Advance)                         | 0            |              | 17125        |              |
| Dulon Fernandes (ADV)                             | 0            |              | 1000         |              |
| Jason Lobo  | 0            |              | 10000        |              |
| Kashif Eaqbal (Adv)                               | 0            |              | 30000        |              |
| Krishna (ADV)                                     | 0            |              | 2160         |              |
| K.S. Hariharan (Adv)                              | 1,07,988     |              | 442116       |              |
| Priyanka Ghagare (Adv)                            | 2,000        |              |              |              |
| P Srisailem (ADV)                                 | 0            |              | 8728         |              |
| Prakash Shinde (ADV)                              | 0            |              | 12825        |              |
| Raju Shivmat                                      | 0            |              | 4000         |              |
| Roshan (ADV)                                      | 5,400        |              | 7345         |              |
| Rupa Angre  | 4,000        |              |              |              |
| Sachin Trivedi ( Petty Cash )                     | 16,023       |              | 22000        |              |
| Sandeep Mondal (ADV)                              | 5,979        |              | 3979         |              |
| Shubangini Naidu (Adv)                            | 0            |              | 41000        |              |
| Bhupesh Dalvi Advance                             | 1,000        |              |              |              |
| Dost Chavan (ADV)                                 | 1,488        |              |              |              |
| S P Dubey (Advance)                               | 27,504       |              |              |              |
| Loan-Shivaji Dhumale                              | 4,000        |              |              |              |
| Total   |              | 1,76,382     |              | 6,20,557     |
| <b>Advance to Others</b>                          |              |              |              |              |
| A.K.Pandey Colour Decoration                      | -            |              | 23,000.00    |              |
| Axima Corporation                                 | -            |              | 18,375.00    |              |
| Gamroga Softtech Private Limited                  | -            |              | 5,181.00     |              |
| Home Collective India Pvt Ltd                     |              |              | 179.00       |              |
| Igra Fabrication                                  | -            |              | 5,000.00     |              |
| Pyxis Pictures Private Limited                    | 10,00,000.00 |              | 10,00,000.00 |              |
| Ronak Electricals                                 |              |              | 1,75,390.00  |              |
| Sai Painting & POP Works                          |              |              | 26,600.00    |              |
| Jubilee Leather Works                             |              |              | 2,31,901.00  |              |
| Worldwide Media Pvt Ltd                           | 10,00,000.00 |              | 10,00,000.00 |              |
| Gajanan Tubes                                     | 1,07,408.00  |              | 1,07,408.00  |              |
| Manish Malik                                      | 1,00,000.00  |              | 2,00,000.00  |              |
| Plugged India Enterprises LLP                     | 12,957.25    |              |              |              |
| IRR Interior                                      |              |              | 1,26,552.00  |              |
| Viator Energy Pvt Ltd                             | 3,443.00     |              |              |              |
| Vividha Home Fashions Pvt Ltd                     |              |              | 7,359.00     |              |
| VXL Service                                       | -            |              | 15,000.00    |              |
| Total advance to Creditors (Others)               |              | 22,23,808.25 |              | 29,41,945.00 |
| <b>Advance to creditors for goods</b>             |              |              |              |              |
| Aakaar International                              | -            |              | 36000        |              |
| Aircare Centre                                    | -            |              | 45000        |              |
| Creative Global Services Private Limited          | -            |              |              |              |
| Furniture Kraft International Private Limited     | 13,450.00    |              |              |              |
| V K Deswal & Associates                           | 13,640.00    |              |              |              |
| The Bombay Dyeing & Mfg. Co. Ltd.                 | -            |              | 38257        |              |
| Ahmed Electricals                                 | 1,00,000.00  |              |              |              |
| J. B. Interiors                                   | 3,21,550.00  |              |              |              |
| Mohammed Farukh Choudhary                         | 1,92,352.00  |              |              |              |
| Nu-Dezine Furniture                               | 1,95,758.00  |              |              |              |
| S A Tahyabi & Co                                  | 2,900.00     |              |              |              |
| Advance To Creditors for Goods                    |              | 8,40,650     |              | 1,19,257     |



|  | 31/03/2017   | 31/03/2017   | 31/03/2016 | 31/03/2016   |
|--|--------------|--------------|------------|--------------|
| <b>Schedule 16: Sales</b>                    |              |              |            |              |
| 16A  |              |              |            |              |
| Total Sale of Products                       | 15,44,85,846 |              | 153013972  |              |
| Less : Trade and Coupon Discount             |              |              |            |              |
| Net Sales Value                              |              |              | 127619905  |              |
| Less : CST 2%                                |              |              |            |              |
| Less : VAT 12.5%                             |              |              |            |              |
| Less : VAT 5%                                |              |              |            |              |
| Sales - Net of VAT/CST                       | 7,13,713     |              |            |              |
| Less : Credit Notes                          |              |              |            |              |
| Less : Rate Difference                       |              |              |            |              |
| Total Sale of Products                       |              | 15,37,72,133 |            | 12,76,19,905 |
| 16B  |              |              |            |              |
| Total Services provided                      | 1,92,39,941  |              | 2459292    |              |
| Less: Credit Note                            | 0            |              |            |              |
| Total Sale of Services                       |              | 1,92,39,941  |            | 24,59,292    |
| Total Sales as per P&L                       |              | 17,30,12,074 |            | 13,00,79,197 |
| <b>Schedule 17: Other Income</b>             |              |              |            |              |
| Interest                                     | 6,307        |              | 3476       |              |
| Miscellaneous income                         | 21           |              | 194081     |              |
| Commission income                            |              |              | 34496      |              |
| Reversal of Provision for Gratuity           |              |              | 532370     |              |
| Profit on Sale of Asset                      |              |              | 120925     |              |
|  |              | 6328         |            | 885349       |
| <b>Schedule 19: Employee Benefit Expense</b> |              |              |            |              |
| Salaries, Wages and Other Expenses           |              |              |            |              |
| Employer Contribution on MWF                 | 792          |              |            |              |
| Employer Contribution on Provident Fund      | 75,203       |              | 216527     |              |
| Gratuity                                     | 71,195       |              |            |              |
| Gross Salary                                 | 46,39,932    |              | 31146513   |              |
| Variable Salary                              | 90,719       |              | 229073     |              |
| PF Admin Chg                                 | 11,546       |              | 18490      |              |
| Less : Capitalised during the year           |              |              | 18811805   |              |
|  |              | 48,89,387    |            | 1,27,98,793  |
| Staff Welfare Expenses                       |              |              |            |              |
| Medical Expenses                             |              |              | 2234       |              |
| Medical Exp ( Max Bupa Health Ins)           |              |              | -13746     |              |
| Staff Welfare Exp                            | 74,918       |              | 5,23,861   |              |
| stipend                                      |              |              | 18000      |              |
| Diwali Expense                               | 31,926       |              |            |              |
| Warehouse staff welfare                      | 23,464       |              |            |              |
|  |              | 1,30,308     |            | 5,30,349     |
| <b>Schedule 20: Finance Costs</b>            |              |              |            |              |
| Interest on CC                               | 57,88,149    |              | 4934332    |              |
| Interest on Loan                             | 7,14,230     |              | 83016      |              |
|  |              | 65,02,379    |            | 50,17,348    |



| Notes | Expense Breakup 1-4-2016 to 31-03-2017<br>Head | Particulars  | FY 16-17   |
|-------|--|--|--|
| 19    | Admin Exp.                                     | Books & Periodicals<br>Computer Expenses<br>Housekeeping Exp.<br>Office Expenses<br>Printing & Stationery<br>Printing & Stationery - WH<br>Transport<br>Transport-WH<br>Water-warehouse<br>Other charges<br><b>Admin Exp Total</b> | <br><br><br>5,778<br>42,090<br>73,312<br>46,926<br>93,500<br>42,100<br>22,015<br>15,729<br><b>3,41,450</b> |
| 20    | Finance Cost                                   | Interest on CC<br>Interest on Bank Loan<br>Interest on Loan<br><b>Total</b>  | <br>57,88,149<br>3,55,217<br>3,59,013<br><b>65,02,379</b>  |
|       | Bank Charges                                   | Bank Charges<br>Processing Charges<br><b>Total</b>   | <br>72,124<br>2,87,376<br><b>3,59,500</b>  |
| 21    | Courier & Postage Charges                      | Courier & Postage Charges<br><b>Total</b>  | <br>6,43,264<br><b>6,43,264</b>  |
|       | Depreciation                                   | Depreciation   | 1,04,69,669  |
|       | Depreciation Total                             |  | <b>1,04,69,669</b>   |
|       | Electricity Charges                            | Electricity Charges<br>Warehouse admin<br><b>Total</b>   | <br>63,220<br>72,551<br><b>1,35,771</b>  |
|       | Forex  | Foreign Exchange Fluctuation   | -  |
|       | Forex Total                                    |  | -  |
|       | Insurance Charges                              | Insurance Charges<br><b>Total</b>  | <br>1,10,916<br><b>1,10,916</b>  |
|       | Internet Gateway and Domain Charges            | 8879365652 Dujon (Data Card)<br>9619431501 (Prakash Shinde Data Card)<br>Domain Registration Fees<br>Hosting Charges<br>Internet Access Expense<br>Warehouse Internet<br><b>Total</b>  | <br>6,840<br>1,875<br>9,82,660<br>64,416<br>76,942<br><b>11,32,733</b>                                     |
|       | Legal & Professional Charges                   | Consultancy Charges<br>Legal & Professional Charges<br>Professional Fees<br>Recruitment Charges<br>Architect Fees<br><b>Total</b>  | <br><br>1,50,000<br>3,16,825<br>20,092<br>14,00,000<br><b>18,86,917</b>                                    |
|       | Marketing & Advertisement Expenses             | Advertising Expenses<br>Commission<br>Market Place Charges<br>Marketing Expenses<br>Packaging & Designing Expenses<br>Discount<br>Sundry Balance W/o (Bad Debts)<br><b>Total</b>   | <br>21,60,600<br><br>17,03,765<br>1,02,391<br>29,534<br>1,21,438<br>15,524<br><b>41,02,195</b>             |





| Notes | Expense Breakup 1-4-2016 to 31-03-2017<br>Head | Particulars  | FY 16-17   |
|-------|--|--|--|
|       | Miscellaneous Expenses                         | Balances W/ff<br>Demat Charges<br>General Expenses<br>Donation<br>Misc Expenses Written Off<br>Warehouse<br>Roundoff Diff<br><b>Total</b>  | 5,530<br>2,000<br>7,820<br>2,000<br>8,212<br>115<br><b>25,677</b>                                      |
|       | Miscellaneous Balances written back Total      | Sundry Balance Written Off   | -  |
|       | Other Interest & Penalty                       | Interest on Service Tax<br>Interest on TDS<br>Interest on Professional Tax<br>Interest on Sales Tax<br>Late Filing fees<br>Penalty on Sales Tax<br><b>Total</b>  | 29,027<br>649<br><br>10,961<br>12,500<br>64,000<br><b>1,16,737</b>                                     |
|       | Prior Period Expenses                          | Advertising Exp - Prior Period<br>Advertising Expenses - Prior Period<br>Prior Period Expenses   | -  |
|       | Prior Period Expenses Total                    |  | -  |
|       | Registration and Filing Fees                   | Filing Fees<br>Filing Fees<br>Franking Charges<br>Registrars of Trademarks<br>Registration Fee<br><b>Total</b>   | 1,82,546<br><br><br>1,580<br><b>1,84,126</b>   |
|       | Rent, Rates & Taxes                            | Licence, Renewals, AMC & Rengs.<br>Taxes Expenses<br>Shop Establishment<br>Computer Rent<br>Rent - WH<br>Octroi<br><b>Total</b>  | 5,67,544<br>3,940<br>9,05,132<br>7,02,876<br>1,52,745<br><b>23,72,237</b>                              |
|       | Repair & Maintenance                           | Annual Maintanance Charges - Uniware<br>Office Maintenance<br>Repair & Maintance<br>Society Maintenance<br>Repair & Maintance - WH<br>Warehouse maintenance<br><b>Total</b>  | 1,28,000<br>43,591<br>1,20,055<br><br>14,745<br>57,322<br><b>3,63,713</b>                              |
|       | Telephone Expenses                             | 022-30440066 (Reliance BBM NO.)<br>7045358568 (Amit Dalmia)<br>7506727516 (Bharath Belur)<br>7506984249 K S Hariharan<br>8879404245 (Prakash Shinde)<br>9619501435 Susmita Dalmia<br>9619501438 (Amit Dalmia)<br>9619875869 (Nikhil Khan)<br>Telephone Expenses<br>Telephone Expenses-9869462876<br>Telephone Expenses-9869463997<br>9619348112 Sachin S Trivedi | 493<br>11,418<br>2,247<br>1,885<br>3,017<br>5,229<br>5,228<br>2,698<br>7,503<br>1,657<br>172<br>11,265 |
|       | Less: Excess Received                          |  | 10,386   |
|       | <b>Total</b>                                   |  | <b>42,425</b>  |



| Notes | Expense Breakup 1-4-2016 to 31-03-2017<br>Head | Particulars   | FY 16-17   |
|-------|--|---|--|
|       | Travelling                                     | Car Hiring Charges<br>Conveyance Expense<br>Motor Car Expense<br>Travelling Expenses<br>Warehouse<br><b>Total</b>   | 3,133<br>1,54,355<br>1,15,128<br>17,700<br>6,299<br><b>2,96,615</b>        |
|       | Contract Expense                               | Loading Charges<br>Production Exp - WH<br>Varai<br>Contract Charges<br>Contract Charges - Furniture<br><b>Total</b> | 28,350<br>5,779<br>80,604<br>1,04,47,020<br>9,74,511<br><b>1,15,36,264</b> |
|       | Job Work Charges                               | Job Work Charges<br>Job Work Embroidery<br><b>Total</b>   | 48,000<br>7,607<br><b>55,607</b>   |
|       | Commission                                     | Commission<br><b>Total</b>  | 1,33,25,000<br><b>1,33,25,000</b>  |



## ENCOMPASS DESIGN INDIA PRIVATE LIMITED

### NOTE 1

Significant accounting policies annexed to & forming part of balance sheet as at 31<sup>st</sup> March 2017

#### 1. SIGNIFICANT ACCOUNTING POLICIES

##### A. BASIS OF PREPARATION

The Company follows the mercantile system of accounting and recognizing income and expenditure on accrual basis. The accounts are prepared on historical cost basis as a going concern and are consistent with generally accepted accounting principles.

##### B. FIXED ASSETS

Fixed Assets are stated at cost less depreciation. The cost includes all expenses incurred to bring the assets to its present location & condition.

Intangible Assets are stated at cost less accumulated amortization.

##### C. DEPRECIATION

Depreciation on Fixed Assets is provided based on the useful life of the assets in the manner prescribed in Schedule II to the Companies Act, 2013.

Intangible assets are amortized pro-rata on Straight Line basis over the useful life of the assets, estimated by the management.

##### D. INVESTMENTS

Current investments are carried at lower of cost or quoted / fair value, computed category wise. Long-term investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary in the opinion of the management.

##### E. FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions are recorded at the exchange rate on the date of transaction. Gains & losses arising out of subsequent fluctuations in exchange rate are accounted for on actual payment or realization. Monetary items denominated in foreign currency as at the Balance Sheet date are converted at the exchange rates prevailing on balance sheet date. Exchange difference is recognized in the Profit and Loss Account.

##### F. TAXATION

Tax on income for the current period is determined on the basis of taxable income computed in accordance with the provisions of the Income Tax Act, 1961.

Deferred Tax is recognized on timing differences between the accounting income & the taxable income for the year, and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.



Deferred Tax assets are recognized and carried forward 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.

#### G. RETIREMENT BENEFITS

Gratuity provision is made for qualifying employees. Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit cost method.

#### 22 Gratuity and other employment benefits:

| Annexure 1: Funded status of the plan |             |             |
|---------------------------------------|-------------|-------------|
| Particulars                           | 31-Mar-2017 | 31-Mar-2016 |
|                                       | Rs.         | Rs.         |
| Present value of unfunded obligations | 1,95,854    | 1,24,659    |
| Present value of funded obligations   | -           | -           |
| Fair value of plan assets             | -           | -           |
| Net Liability (Asset)                 | 1,95,854    | 1,24,659    |

| Annexure 2: Profit and loss account for current period |             |             |
|--|-------------|-------------|
| Particulars  | 31-Mar-2017 | 31-Mar-2016 |
|  | Rs.         | Rs.         |
| Current service cost                                   | 56,338      | 2,41,199    |
| Interest on obligation                                 | 9,709       | 50,679      |
| Expected return on plan assets                         | -           | -           |
| Net actuarial loss/(gain)                              | 5,148       | (8,24,248)  |
| Past service cost                                      | -           | -           |
| Loss/(gain) on curtailments and settlement             | -           | -           |
| Total included in 'Employee Benefit Expense'           | 71,195      | (5,32,370)  |
| Total Charge to P&L                                    | 71,195      | (5,32,370)  |

|   |       |            |
|---|-------|------------|
| Loss/(gain) on obligation as per Annexure 3 | 5,148 | (8,24,248) |
| Loss/(gain) on assets as per Annexure 4     | -     | -          |
| Net actuarial loss/(gain)                   | 5,148 | (8,24,248) |



**Annexure 3: Reconciliation of defined benefit obligation**

| Particulars  | 31-Mar-2017 | 31-Mar-2016 |
|--|-------------|-------------|
|  | Rs.         | Rs.         |
| Opening Defined Benefit Obligation                               | 1,24,659    | 6,57,029    |
| Transfer in/(out) obligation                                     | -           | -           |
| Current service cost   | 56,338      | 2,41,199    |
| Interest cost  | 9,709       | 50,679      |
| Actuarial loss (gain)  | 5,148       | (8,24,248)  |
| Past service cost  | -           | -           |
| Loss (gain) on curtailments                                      | -           | -           |
| Liabilities extinguished on settlements                          | -           | -           |
| Liabilities assumed in an amalgamation in the nature of purchase | -           | -           |
| Exchange differences on foreign plan                             | -           | -           |
| Benefits paid  | -           | -           |
| Benefits payable   | -           | -           |
| Closing Defined Benefit Obligation                               | 1,95,854    | 1,24,659    |

**Annexure 4: Reconciliation of plan assets**

| Particulars  | 31-Mar-2017 | 31-Mar-2016 |
|--|-------------|-------------|
|  | Rs.         | Rs.         |
| Opening value of plan assets                                 | -           | -           |
| Transfer in/(out) plan assets                                | -           | -           |
| Expenses deducted from the fund                              | -           | -           |
| Expected return  | -           | -           |
| Actuarial gain/(loss)  | -           | -           |
| Assets distributed on settlements                            | -           | -           |
| Contributions by employer                                    | -           | -           |
| Assets acquired in an amalgamation in the nature of purchase | -           | -           |
| Exchange differences on foreign plans                        | -           | -           |
| Benefits paid  | -           | -           |
| Closing value of plan assets                                 | -           | -           |



**Annexure 5: Reconciliation of net defined benefit liability**

| Particulars                                | 31-Mar-2017 | 31-Mar-2016 |
|--|-------------|-------------|
|  | (12 months) | (12 months) |
|  | Rs.         | Rs.         |
| Net opening provision in books of accounts | 1,24,659    | 6,57,029    |
| Transfer in/(out) obligation               | -           | -           |
| Transfer (in)/out plan assets              | -           | -           |
| Employee Benefit Expense as per Annexure 2 | 71,195      | (5,32,370)  |
|  | 1,95,854    | 1,24,659    |
| Benefits paid by the Company               | -           | -           |
| Contributions to plan assets               | -           | -           |
|  | 1,95,854    | 1,24,659    |
| Closing provision in books of accounts     | 1,95,854    | 1,24,659    |

**0%****Annexure 6: Composition of the plan assets**

| Particulars                       | 31-Mar-2017 | 31-Mar-2016 |
|-----------------------------------|-------------|-------------|
|                                   | (12 months) | (12 months) |
|                                   | %           | %           |
| Government of India Securities    | 0%          | 0%          |
| State Government Securities       | 0%          | 0%          |
| High quality corporate bonds      | 0%          | 0%          |
| Equity shares of listed companies | 0%          | 0%          |
| Property                          | 0%          | 0%          |
| Special Deposit Scheme            | 0%          | 0%          |
| Policy of insurance               | 0%          | 0%          |
| Bank Balance                      | 0%          | 0%          |
| Other Investments                 |             |             |
| <b>Total</b>                      | <b>0%</b>   | <b>0%</b>   |

**Annexure 7: Bifurcation of liability as per schedule III**

| Particulars           | 31-Mar-2017<br>(12 months) | 31-Mar-2016<br>(12 months) |
|-----------------------|----------------------------|----------------------------|
|                       | Rs.                        | Rs.                        |
| Current Liability*    | 566                        | 381                        |
| Non-Current Liability | 1,95,288                   | 1,24,278                   |
| Net Liability         | 1,95,854                   | 1,24,659                   |

\* The current liability is calculated as expected benefits for the next 12 months.

**Annexure 8: Table of experience adjustments**

| Particulars  | 31-Mar-2017<br>(12 months) | 31-Mar-2016<br>(12 months) |
|--|----------------------------|----------------------------|
|  | Rs.                        | Rs.                        |
| Defined Benefit Obligation                                     | 1,95,854                   | 1,24,659                   |
| Plan Assets  | -                          | -                          |
| Surplus/(Deficit)  | (1,95,854)                 | (1,24,659)                 |
| Experience adjustments on plan liabilities                     | (5,667)                    | (8,24,248)                 |
| Actuarial loss/(gain) due to change in financial Assumptions   | 10,815                     | -                          |
| Actuarial loss/ (gain) due to change in demographic Assumption | -                          | -                          |
| Experience adjustments on plan assets                          | -                          | -                          |
| Net actuarial loss/ (gain) for the year                        | 5,148                      | (8,24,248)                 |

| Particulars                    | 31-Mar-2017<br>(12 months)                      | 31-Mar-2016<br>(12 months)                      |
|--------------------------------|---|---|
|                                |   |   |
| Discount Rate                  | 7.40%   | 7.80%   |
| Expected Return on Plan Assets | Not Applicable                                  | Not Applicable                                  |
| Salary Growth Rate             | 6.00%   | 6.00%   |
| Withdrawal Rates               | 5% at younger ages reducing to 1% at older ages | 5% at younger ages reducing to 1% at older ages |



### **23. RELATED PARTY TRANSACTIONS:**

Disclosure in respect of related parties pursuant to AS – 18 Related Party Disclosures is as under:

| <b>Sr</b> | <b>Name of Related Party</b>                          | <b>Relationship</b>      |
|-----------|---|--------------------------|
| a)        | Creative Portico Private Limited                      | Other Related Company    |
| b)        | Creative Global Services Private Limited              | Other Related Company    |
| c)        | Creative Garments Private Limited                     | Other Related Company    |
| d)        | Creative Textile Mills Private Limited                | Other Related Company    |
| e)        | Home Craft Online Private limited (W.e.f. 24/09/2015) | Other Related Company    |
| f)        | Mr. Arunanshu Agarwal (Director)                      | Key Managerial Personnel |
| g)        | Mr. Amit Dalmia (Director)                            | Key Managerial Personnel |
| h)        | Mr. Sushmita Dalmia (Director)                        | Key Managerial Personnel |

The summary of transactions is as under:

| <b>Nature of transaction</b>      | <b>As on 31/03/2017</b>         |                           | <b>As on 31/03/2016</b>         |                           |
|-----------------------------------|---------------------------------|---------------------------|---------------------------------|---------------------------|
|                                   | <b>Key Management Personnel</b> | <b>Associate Concerns</b> | <b>Key Management Personnel</b> | <b>Associate Concerns</b> |
| Opening Balance:                  | 28,02,500                       | 0                         |                                 |                           |
| Loan Taken                        | 1,17,46,170                     | 0                         | 1,20,00,000                     | -                         |
| Loan Repaid                       | 5,00,000                        |                           | 90,00,000                       | -                         |
| <b>Closing Balance:</b>           | <b>1,40,48,670</b>              | <b>0</b>                  |                                 |                           |
| Purchase Return / Rate Difference | -                               | 2,21,72,629               | -                               | 7,17,80,782               |
| Purchase                          | -                               | 3,94,30,329               | -                               | 8,26,80,541               |
| Sales                             |                                 | 2,64,27,991               |                                 |                           |
| Jobwork Charges                   |                                 | 7,607                     |                                 |                           |
| Commission                        |                                 | 1,53,23,750               |                                 |                           |
| Share Allotment                   | 4,98,630                        | -                         | 3,46,95,776                     | -                         |
| Sale of Fixed Assets              | -                               | -                         | -                               | 25,00,000                 |
|                                   |                                 |                           |                                 |                           |

### **24. Expenditure in foreign currency**

Purchases NIL Rs.50,30,501

### **25. EARNING IN FOREIGN CURRENCY**

Income NIL NIL