

## 16. NOTES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2016 AND OF THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2016.

### 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES:

#### A) SYSTEM OF ACCOUNTING :

- I) The company follows the mercantile system of accounting and recognises income and expenditure on an accrual basis, except in case if significant uncertainties.
- II) Financial statements are based on historical cost. These costs are not adjusted to reflect the impact of the changing value in the purchasing power of money.

#### B) REVENUE RECOGNITION

- I) Discount received in respect of Bills Discounted is apportioned over the period of usance of the instruments.
- II) Interest on delayed payments is accounted on ascertainment of realisability.
- III) Dividends from Mutual Fund are accounted for on the basis of statement received from the Mutual Funds.

#### C) FIXED ASSETS & DEPRECIATION:

- I) Depreciation on tangible assets is provided on WDV method over the useful lives of the asset as per Schedule II of The Companies Act, 2013.
- II) Depreciation for assets purchased/sold during the period is proportionately charged.

#### D) BILLS OF EXCHANGE AND LOANS & ADVANCES:

Specific cases identified as irrecoverable or doubtful are written off or provided for respectively.

#### E) VALUATION OF CLOSING STOCK

Closing stock is valued at Cost or Market Value, whichever is lower. And the Market Value of closing stock as on 31st March 2016 is Rs.26,51,035/-(Previous year Rs. 24,31,669/-)

2. In accordance with Accounting Standard 22 "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, the Company has accounted for deferred tax during the year. Consequently the deferred tax liability of Rs.NIL as on 31<sup>st</sup> March, 2016 has been recognized ( Previous year Rs. 1,15,782/-)  
The deferred tax liability for the year amounting to Rs. 1,15,782/- which has been reversed, and has been recognized in the Profit and Loss Account.

	As on 31-3-2016 Rupees	As on 31-3-2015 Rupees
3 Payments to Directors : Sitting fees	36,000	33,000
4 Payments to auditors		

Audit Fees	40,000	40,000
Service Tax	4,944	4,944

5 Information pursuant to paragraph 3 of the part II of Schedule VI to the Companies Act, 1956 in respect of goods traded by the Company.(Units of Mutual Funds)

		<u>Qty/Nos</u>	<u>Value/Rs</u>	<u>Qty/Nos</u>	<u>Value/Rs</u>
Opening Stock	Units	120382	2055282	120556	2268715
Purchases	Units	--	--	---	---
Sales	Units	---	---	184	227761
Closing Stock	Units	120382	2055282	120382	2055282

7 There are no Foreign Exchange Earning and Outgo during the year and previous year

8 Other income includes:

Miscellaneous Receipts	---	5000
Bad Debts Recovered	500000	---

9 In the absence of information regarding the status of micro, small and medium enterprises, as defined under "Micro, Small and Medium Enterprises Act, 2006" amounts overdue and remaining unpaid, if any, on account of principal and/or overdue interest at the close of the year to these suppliers could not be determined.

10 There are no transactions with related parties except for sitting fees paid Rs.6000/- to Mr.D. J. Engineer Director, Mr. K. V. Deliwala Rs.6000/-, Mr.N.J. Shah Rs.6000/-, Mr.V.B.Shah Rs.6000/-, Mrs. J. M. Deliwala Rs.6000/- and Rs.6000/- to Mr.M.K.Deliwala Chairman.

11 Earnings Per Share:

Profit/(Loss)after Tax:	(Rs.9,47,882)	(Rs.1,86,324)
Nominal Value per Equity Share	Rs. 10	Rs. 10
Number of equity shares Outstanding during the year	30,00,000	30,00,000
Earning Per Share	----	----

12 Figures for previous year have been regrouped where considered necessary and practicable.

As per our report

For M. S. PARIKH & CO.  
Chartered Accountants  
Firm Regn no : 107558W

Dharmesh A. Parikh  
Partner

N. D. Shah  
Chief Executive Officer  
Chief Financial Officer

I. D. Patel  
Company Secretary

Signature to Schedules 1 to 16  
For and on behalf of the Board of Directors

M. K. DELIWALA - CHAIRMAN

D. J. ENGINEER - DIRECTOR

N. J. SHAH - DIRECTOR

J. M.DELIWALA - DIRECTOR

V. B. SHAH - DIRECTOR

Mumbai : 30<sup>th</sup> May, 2016

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