

GLAMOURWEAR APPARELS PRIVATE LIMITED**Balance Sheet as at 31 March 2014***All amounts in Indian Rupees, except stated otherwise*

	Notes	31 March 2014	31 March 2013
<u>EQUITY AND LIABILITIES</u>			
Shareholder's funds			
Share Capital	3	200,000	200,000
Reserves and Surplus	4	15,537,528	14,953,716
		15,737,528	15,153,716
Non- current liabilities			
Long-term Provisions	5	5,499,445	3,106,832
		5,499,445	3,106,832
Current Liabilities			
Trade payables	6	430,178	1,192,918
Other current liabilities	6	34,984,569	40,994,611
Short term provisions	5	5,320,089	4,237,513
		40,734,836	46,425,042
TOTAL		61,971,809	64,685,590
<u>ASSETS</u>			
Non-current assets			
Fixed assets	7		
Tangible assets		6,960,690	8,151,841
Intangible assets		-	-
Capital work-in-progress		-	-
		6,960,690	8,151,841
Non-current investments	8	9,000	9,000
Long-term loans and advances	9	33,018,429	42,350,374
		39,988,119	50,511,215
Current assets			
Trade receivables	10	18,427,900	13,583,769
Cash and Cash equivalents	11	3,283,414	350,168
Short-term loans and advances	9	272,376	240,438
		21,983,690	14,174,375
TOTAL		61,971,809	64,685,590

Summary of significant accounting policies 2

The accompanying notes are integral part of the financial statements.

As per our report of even date

For P.A.Ghatage & Co

Firm Regn. No.000922S

Chartered Accountants

P.A.GHATAGE
(Proprietor)

(Membership No.12153)

Place : Bangalore

Date : 8th May 2014

For and on behalf of the Board
For GLAMOURWEAR APPARELS PRIVATE LIMITED

Gautam Chakravarti
Director

Sumit Keshan
Director

GLAMOURWEAR APPARELS PRIVATE LIMITED**Notes to financial statements for the year ended 31 March 2014***All amounts in Indian Rupees, except stated otherwise***3 Share Capital****Authorized shares**

20,000 (2013:20,000) Equity Shares of Rs. 10 each

31 March 2014 **31 March 2013**

200,000 200,000

Issued, Subscribed and Fully Paid-up

20,000 (2013:20,000) Equity Shares of Rs. 10 each fully paid-up

200,000 200,000

200,000 **200,000****(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**

Equity shares	31 March 2014		31 March 2013	
	No.	Amount	No.	Amount
At the beginning of the period	20,000	200,000	20,000	200,000
Issued during the period		-		-
Outstanding at the end of the period	20,000	200,000	20,000	200,000

b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholder in ensuing Annual General meeting.

In event of liquidation of the Company, the holders of equity shares would 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.

(c) Shares held by holding/ ultimate holding Company and/ or their subsidiaries/ associates

	31 March 2014 Amount	31 March 2013 Amount
Holding Company : Gokaldas Exports Ltd.,	200,000	200,000

(d) Details of shareholders holding more than 5% shares in the Company

Equity shares	31 March 2014		31 March 2013	
	No.	shareholding %	No.	shareholding %
Equity shares of Rs.10 each fully paid Gokaldas Exports Ltd.,	20,000	100.00%	20,000	100.00%

As per records of the Company, including its register of shareholders/ members and other declaration received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownership of shares.



GLAMOURWEAR APPARELS PRIVATE LIMITED

Notes to financial statements for the year ended 31 March 2014

4 Reserves and Surplus

	<u>31 March 2014</u>	<u>31 March 2013</u>
Capital Reserves		
Capital Reserve (on amalgamation) balance as per last account	252,905	252,905
Securities Premium Reserve		
Balance as per last account	9,946,000	9,946,000
Surplus / (deficit) in the statement of profit and loss		
Balance as per last financial statements	4,754,811	(17,460,850)
Profit / (loss) for the year	583,812	22,215,661
Net surplus / (deficit) in the statement of profit and loss	5,338,623	4,754,811
	15,537,528	14,953,716

5 Provisions

	Long Term		Short term	
	31 March 2014	31 March 2013	31 March 2014	31 March 2013
Provision for employee benefits				
Provision for gratuity	5,499,445	3,106,832	1,027,531	810,452
Provision for leave benefits	-	-	4,292,558	3,427,061
	5,499,445	3,106,832	5,320,089	4,237,513

6 Trade payables and Other Current Liabilities

	<u>31 March 2014</u>	<u>31 March 2013</u>
Trade Payables		
to Micro and Small Enterprises		
to Others	430,178	1,192,918
	430,178	1,192,918
Other current liabilities		
Employee benefit payable	27,984,552	33,245,984
Other expenses payable	3,494,090	3,464,560
Due to fellow subsidiaries	-	6,639
Bank Overdraft	-	121,594
ESI payable	858,433	1,090,812
Provident fund payable	2,254,116	2,651,278
TDS payable	346,029	370,914
Service tax payable	22,199	9,930
Professional tax payable	25,150	32,900
	34,984,569	40,994,611
	35,414,747	42,187,529

8 Non-current investments

	<u>31 March 2014</u>	<u>31 March 2013</u>
Non Trade investments [valued at cost unless stated otherwise]		
Investment in Government Securities (unquoted)		
Indira Vikas Patra	4,000	4,000
National Savings Certificates	5,000	5,000
	9,000	9,000



7 Tangible assets

	Building	Improvement on lease hold rights	Electrical Equipments	Office Equipments	Furniture & Fixtures	Plant & Machinery	Computers	Total
Cost or valuation								
At 1 April 2012	1,305,417	4,130,415	13,053,742	195,949	10,139,104	12,954,308	3,850	41,782,785
Additions					93,793			93,793
Other adjustments								
Disposals	1,305,417	4,130,415	13,053,742	195,949	10,232,897	12,954,308	3,850	41,876,578
At 31 March 2013	158,881	3,023,743	2,320,711	1,689	2,023,776	4,808,816	3,850	12,341,466
Additions	1,146,536	1,106,672	10,733,031	194,260	8,209,121	8,145,492	-	29,535,112
Other adjustments		-			-			-
Disposals	1,146,536	1,106,672	10,733,031	194,260	8,209,121	8,145,492	-	29,535,112
At 31 March 2014	1,146,536	1,106,672	10,733,031	194,260	8,209,121	8,145,492	-	29,535,112
Depreciation								
At 1 April 2012	936,983	2,922,954	8,326,631	125,868	7,260,964	8,155,556	3,775	27,732,731
Charge for the year	33,901	50,932	552,640	9,691	426,127	490,636	7	1,563,934
Disposals	120,795	2,120,028	1,354,088	1,164	1,356,389	2,957,148	3,782	7,913,394
At 31 March 2013	850,089	853,858	7,525,183	134,395	6,330,702	5,689,044	-	21,383,271
Charge for the year	29,645	25,282	446,211	8,327	339,994	341,692	-	1,191,151
Disposals	-	-	-	-	-	-	-	-
At 31 March 2014	879,734	879,140	7,971,394	142,722	6,670,696	6,030,736	-	22,574,422

Net Block

At 31 March 2013	296,447	252,814	3,207,848	59,865	1,878,419	2,456,448	-	8,151,841
At 31 March 2014	266,802	227,532	2,761,637	51,538	1,538,425	2,114,757	-	6,960,690



GLAMOURWEAR APPARELS PRIVATE LIMITED**Notes to financial statements for the year ended 31 March 2014****9 Loans and advances**

(unsecured, considered good)

	Non Current		Current	
	31 March 2014	31 March 2013	31 March 2014	31 March 2013
Security deposits	29,000,204	28,000,204	-	-
Advances recoverable in cash / kind	-	-	20,034	104,699
Advance Tax	4,018,225	11,061,295	-	-
Minimum alternate tax credit entitlement	-	3,288,875	-	-
Prepaid expenses	-	-	24,900	110,297
Loans and advances to employees	-	-	227,442	25,442
	33,018,429	42,350,374	272,376	240,438

10 Trade Receivables

(unsecured, considered good)

	Current	
	31 March 2014	31 March 2013
- Outstanding for a period exceeding six months from the date they are due for payment	-	-
- Other receivables	1,918,651	200,001
From holding Company	16,509,249	13,383,768
	18,427,900	13,583,769

11 Cash and bank balancesCash and cash equivalents

Balance with banks :

-- in Current accounts

Cash on hand

	Current	
	31 March 2014	31 March 2013
	3,115,145	212,090
	168,269	138,078
	3,283,414	350,168



GLAMOURWEAR APPARELS PRIVATE LIMITED**Statement of profit and loss for the year ended 31 March 2014***All amounts in Indian Rupees, except stated otherwise*

	Notes	31 March 2014	31 March 2013
Revenue from operations (Gross)	12	289,949,510	337,728,410
Other income	13	539,515	18,839,313
Total Revenue		290,489,025	356,567,723
Expenses			
Employee benefits expense	14	246,454,415	291,172,143
Other expenses	15	35,775,807	41,601,520
Depreciation and amortisation expense	16	1,191,151	1,563,934
Finance costs	17	6,027	14,465
Total Expenses		283,427,400	334,352,062
Profit / (Loss) before tax		7,061,625	22,215,661
Tax expense:			
Current tax		2,032,959	-
Mat tax for the year		-	3,288,875
Mat tax credit entitlement		-	(3,288,875)
Tax of earlier years (net)		4,444,854	-
		6,477,813	-
Profit / (Loss) for the period		583,812	22,215,661
Earnings per equity share - (Nominal value per share - Rs. 10) :			
Basic		29.19	1,110.78
Diluted		29.19	1,110.78

Summary of significant accounting policies 2

The accompanying notes are integral part of the financial statements.

As per our report of even date

For P.A.Ghatage & Co

Firm Regn. No.000922S

Chartered Accountants

P.A.GHATAGE
(Proprietor)

(Membership No.12153)

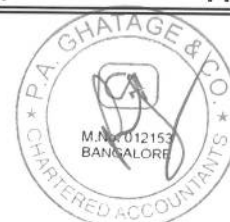
Place : Bangalore

Date : 8th May 2014

For and on behalf of the Board
For GLAMOURWEAR APPARELS PRIVATE LIMITED
Gautam Chakravarti
Director
Sumit Keshan
Director

GLAMOURWEAR APPARELS PRIVATE LIMITED**Notes to financial statements for the year ended 31 March 2014***All amounts in Indian Rupees, except stated otherwise*

	<u>31 March 2014</u>	<u>31 March 2013</u>
12 Revenue from operations		
Contract receipts	289,949,510	337,728,410
	289,949,510	337,728,410
13 Other Income		
Other non-operating income	539,515	18,797,431
Profit on sale of fixed assets	-	41,882
	539,515	18,839,313
14 Employee benefits expense		
Salaries, wages and bonus	205,531,341	250,667,706
Contribution to provident fund and other fund	23,273,042	28,046,810
Gratuity expense	4,545,874	(29,075)
Staff welfare expenses	13,104,158	12,486,702
	246,454,415	291,172,143
15 Other expenses		
Power and fuel	6,506,866	7,785,722
Job work charges	4,220,951	1,087,680
Other manufacturing expenses	209,746	91,138
Repairs and maintenance		
- Plant and machinery	79,943	535,263
- Buildings	318,734	1,046,624
- Others	167,410	939,294
Rent	19,814,662	20,959,057
Rates and taxes	151,215	226,212
Legal and professional charges	166,242	321,694
Printing and stationery	1,064	10,063
Communication costs	-	3,693
Travelling and conveyance	208,266	311,874
Payment to auditors	44,944	44,944
Other Miscellaneous expenses	3,885,764	8,238,262
	35,775,807	41,601,520
<u>Payment to auditor</u>		
As Auditor		
Audit fees	44,944	44,944
	44,944	44,944
16 Depreciation and amortisation expense		
Depreciation on tangible assets	1,191,151	1,563,934
	1,191,151	1,563,934
17 Finance costs		
Bank charges	6,027	14,465
	6,027	14,465



Notes to Account

18. Contingent liabilities

(Amount in Rs.)		
Particulars	2014	2013
Claims against the Company not acknowledged as debts	2,926,923	823,051
Guarantees given by banks	Nil	Nil
Outstanding letters of credit	Nil	Nil
Export Bills discounted with banks	Nil	Nil
Estimated amount of contracts remaining to be executed on capital accounts and not provided for (net of advances)	Nil	Nil

19. Gratuity

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with an insurance company in the form of a qualifying insurance policy.

The following tables summarise the components of net benefit expense recognised in the profit and loss account and the funded status and amounts recognised in the balance sheet for the respective plans.

Net employee benefit expense (in Profit and Loss Account)

(Amount in Rs)		
	2014	2013
Current Service Cost	3,160,245	2,346,157
Interest cost on benefit obligation	484,527	701,838
Expected Return on Plan Assets	(189,088)	(282,526)
Actuarial gain/(loss)	1,090,190	(2,794,544)
Net benefit expense	4,545,874	(29,075)

Details of Provision for gratuity (in Balance Sheet)

(Amount in Rs)		
	2014	2013
Defined benefit obligation	8,679,996	6,559,516
Fair value of plan asset	2,153,020	2,642,232
Liability recognized in the balance sheet	(6,526,976)	(3,917,284)

Changes in the present value of the defined benefit obligation are as follows:
(Amount in Rs)

	2014	2013
Opening defined benefit obligation – Current	810,452	1,153,046
Opening defined benefit obligation – Non current	5,749,064	9,597,314
Current Service Cost	3,160,245	2,346,157
Interest Cost	484,527	701,838
Benefits Paid	(2,493,436)	(4,486,471)
Actuarial (gain)/loss	969,144	(2,752,368)
Closing defined benefit obligation	8,679,996	6,559,516
Closing defined benefit obligation – Current	1,027,531	810,452
Closing defined benefit obligation – Non current	7,652,465	5,749,064



Changes in the fair value of plan asset are as follows: (Amount in Rs)

	2014	2013
Opening fair value of plan asset	2,642,232	4,745,615
Expected return	189,088	282,526
Actuarial gain/(loss)	(121,046)	42,176
Contributions (less premium, Service tax)	0	0
Benefits Paid	(557,254)	(2,428,085)
Contribution for Benefits settled directly by company	1,936,182	2,058,386
Benefits settled directly by company	(1,936,182)	(2,058,386)
Closing fair value of plan asset	2,153,020	2,642,232

The principal assumptions used in determining gratuity obligations for the Company's plan are shown below:

Interest Rate	9.12%	8.25%
Discount Factor	9.12%	8.25%
Estimated Rate of return on Plan Assets	8.00%	8%
Attrition Rate	40%	40%
Rate of escalation in Salary per annum	20%	5%
Retirement Age	60	60

The Company expects to contribute Rs.6,550,000 to gratuity fund in 2014-15.

The major categories of plan asset as a percentage of the fair value of total plan asset are as follows:

	2014	2013
Investments with insurer %	100	100

Note:

The estimate of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

20. Segment information

a) Primary business segment

The Company is engaged in a single business segment of job workrelated to garment, and hence, no additional disclosures are required, other than those already given in the financial statements.

b) Secondary business segment (by geographical area based on location of customers): (Amount in Rs)

Geographical Segment	Revenues	Carrying amount of segment assets (Debtors)
In India	289,949,510 (337,728,410)	18,427,900 (13,583,769)
Outside India		
	289,949,510 (337,728,410)	18,427,900 (13,583,769)

Notes:

1. All fixed assets are located in India.
2. Figures in brackets relate to previous year.

21. Related party disclosures



A. Names of related parties and description of relationship:

Ref	Description of Relationship	Names of related parties
a.	<i>Parties where control exists:</i>	
(i)	Immediate Holding Company	Gokaldas Exports Limited
(ii)	Fellow Subsidiaries	Deejay Trading Private Limited All Colour Garments Private Limited Madhin Trading Private Limited Magenta Trading Private Limited Rafter Trading Private Limited Rajdin Apparels Private Limited Reflexion Trading Private Limited Rishikesh Apparels Private Limited Robot Systems Private Limited Seven Hills Clothing Private Limited SNS Clothing Private Limited Vignesh Apparels Private Limited
b.	<i>Key management personnel:</i>	
(i)	Director	Mr. GautamChakravarti
(ii)	Director	Mr. SumitKeshan

B. The following are the volume of transactions with related parties during the year and outstanding balances as at the year- end disclosed in aggregate by type of related party:
(Amount in Rs)

Nature of transactions	Holding Company	Fellow Subsidiaries	Others	Total
	A(a)	A(a)	A(c)	
Income				
Job work charges	283,362,540 (337,728,410)			283,362,540 (337,728,410)
Balances outstanding as at March 31, 2014				
-- Credit balances	Nil (NIL)	Nil (6,639)		Nil (6,639)
-- Debit balances	16,509,249 (13,383,768)	NIL (NIL)	NIL (NIL)	16,509,249 (13,383,768)

Figures in brackets relate to previous year.

Disclosure for transactions that exceed 10% of total value of each class of transactions:
(Amount in Rs)

	2014	2013
Credit balance to fellow subsidiaries		
Rajdin Apparels Private Limited	-	6,639

22. Leasing Arrangements:

The Company's leasing arrangements in respect of its office, factory and residential premises are in the nature of operating leases. These leasing arrangements are usually cancellable at the option of the lessee any time.



23. Earnings per share

(Amount in Rs)

Particulars	2014	2013
Net profit for the year as per profit and loss account before exceptional items	583,812	22,215,661
Net profit for the year as per profit and loss account after exceptional items	583,812	22,215,661
Weighted average number of equity shares (Nos.)	20,000	20,000
Nominal value per share	10	10
Earnings per share – Basic and diluted	29.19	1110.78
Before exceptional items		
After exceptional items		

24. Deferred taxes – Components Assets / (Liability)

(Amount in Rs)

Particulars	As at March 31, 2013	Current year (charge)/credit	As at March 31, 2014
Difference between book and tax base of fixed assets	-	-	-
Retirement benefits allowed on payment basis accrued in books	-	-	-
	-	-	-

25. Remuneration to directors

(Amount in Rs)

Particulars	2014	2013
Salaries	Nil	Nil

26. CIF value of imports

Current Year : Nil Previous Period : Nil

27. Expenditure in foreign currency on accrual basis

Current Year : Nil Previous Period : Nil

28. Imported and indigenous raw materials, stores and spare parts consumed

Particulars	2014		2013	
	Amount (Rs)	%	Amount (Rs)	%
<i>Raw Materials</i>				
Imported	Not Applicable		Not Applicable	
Indigenous				
<i>Consumables, Stores and Spares</i>				
Imported	Not Applicable		Not Applicable	
Indigenous				



29. Earnings in foreign currency

Current Year : Nil Previous Period : Nil

30. Based on the information available with the company, there are no suppliers who are registered as micro, small or medium enterprises under the Micro, Small or Medium Enterprises Development Act 2006.
31. Previous year's figures have been regrouped/rearranged/reclassified, wherever necessary to conform to the current year's presentation.

Signatures to schedules 1 to 31

For P.A.GHATAGE & Co.
Chartered Accountants


P.A.GHATAGE
(Proprietor)
(Membership No.12153)



For and on behalf of the Board
For GLAMOURWEAR APPARELS PRIVATE LIMITED


Gautam Chakravarti
Director


Sumit Keshan
Director

Place : Bangalore
Date : May 8, 2014

GLAMOURWEAR APPARELS PRIVATE LIMITED**Cash-flow statement for the year ended 31 March 2014***All amounts in Indian Rupees, except stated otherwise*

PARTICULARS	2014	2013
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before tax from continuing operations	7,061,625	22,215,661
Loss before tax	7,061,625	22,215,661
Non-cash adjustment to recincile profit before tax to net cash flow		
Depreciation/amortization on continuing operations	1,191,151	1,563,934
(Profit)/Loss on sale of assets (net)	-	(41,882)
Interest earned	(539,515)	(370,780)
Operating Profit before working capital changes	7,713,262	23,366,933
Movements in Working Capital :		
(Increase)/Decrease in trade receivables	(4,844,131)	14,032,444
(Increase)/Decrease in non current loans and advances	(1,000,000)	402,817
(Increase)/Decrease in current loans and advances	(31,938)	2,938,538
Increase/(Decrease) in trade payables	(762,740)	(235,671)
Increase/(Decrease) in other current liabilities	(6,010,042)	(43,602,332)
Increase/(Decrease) in long term provisions	2,392,613	(7,882,093)
Increase/(Decrease) in short term provisions	1,082,576	1,360,646
Cash Generated from /(used in) Operations	(1,460,400)	(9,618,718)
Direct taxes paid (net of refunds)	3,854,131	(1,885,783)
Net Cash Flow from Operating Activities	2,393,730	(11,504,501)
Net Cash Flow from/(used in) Operating Activities	2,393,730	(11,504,501)
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Interest received	539,515	370,780
Purchase of Fixed Assets		(93,793)
Proceeds from Sale of Fixed Assets		4,469,954
Net Cash Flow from / (used in) Investing Activities	539,515	4,746,941
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Net Cash Flow from / (used in) Financing Activities	-	-
D. Net Increase / (Decrease) in Cash & Cash Equivalents (A+B+C)	2,933,245	(6,757,560)
E. Opening Balance of Cash & Cash Equivalents	350,168	7,107,728
F. Closing Balance of Cash & Cash Equivalents	3,283,413	350,168
Components of Cash and Cash Equivalents		
Cash on hand	168,269	138,078
Bank Balances with Scheduled Banks:		
-- in Current Accounts	3,115,145	212,090
	3,283,414	350,168
	3,283,414	350,168

As per our report of even date

For P.A.Ghatage & Co

Firm Regn. No.000922S

Chartered Accountants

P.A.GHATAGE

(Proprietor)

(Membership No.12153)

For and on behalf of the Board

For Glamourwear Apparels Private Limited

Gautam Chakravarti
DirectorSumit Keshan
Director

Place : Bangalore

Date : 8th May 2014

