

MADHIN TRADING PRIVATE LIMITED**Balance Sheet as at 31 March 2013***All amounts in Indian Rupees, except stated otherwise*

	Notes	31 March 2013	31 March 2012
<u>EQUITY AND LIABILITIES</u>			
Shareholder's funds			
Share Capital	3	2,00,000	2,00,000
Reserves and Surplus	4	68,21,040	65,36,957
		70,21,040	67,36,957
Non- current liabilities			
Long-term Provisions	5	21,47,166	28,43,759
		21,47,166	28,43,759
Current Liabilities			
Trade payables	6	1,94,559	7,42,076
Other current liabilities	6	1,69,82,872	2,03,59,579
Short term provisions	5	23,60,335	6,14,580
		1,95,37,766	2,17,16,235
TOTAL		2,87,05,972	3,12,96,951
<u>ASSETS</u>			
Non-current assets			
Fixed assets			
Tangible assets	7	42,84,430	50,82,843
Intangible assets		-	-
Capital work-in-progress		-	-
		42,84,430	50,82,843
Non-current investments	8	1,000	1,000
Long-term loans and advances	9	1,13,29,364	20,77,410
		1,56,14,794	71,61,253
Current assets			
Inventories	10	-	84,17,664
Trade receivables	11	1,23,15,981	1,37,088
Cash and Cash equivalents	12	2,87,031	68,62,555
Short-term loans and advances	9	4,55,366	86,85,591
Other current assets	13	32,800	32,800
		1,30,91,178	2,41,35,698
TOTAL		2,87,05,972	3,12,96,951

Summary of significant accounting policies 2

The accompanying notes are integral part of the financial statements.

As per our report of even date

For V. M. PAL & Co.,
Firm Regn. No. 09075S
Chartered Accountants

A. V. PAL
Partner
(Membership No.37316)
Place : Bangalore
Date : 15th May 2013



For and on behalf of the Board
For MADHIN TRADING PRIVATE LIMITED

Gautam Chakravarti
Gautam Chakravarti
Director

Sumit Keshan
Sumit Keshan
Director

MADHIN TRADING PRIVATE LIMITED**Notes to financial statements for the year ended 31 March 2013***All amounts in Indian Rupees, except stated otherwise***3 Share Capital**Authorised shares

20,000 (2012:20,000) Equity Shares of Rs. 10 each

31 March 2013**31 March 2012**

2,00,000

2,00,000

2,00,000**2,00,000**Issued, subscribed and fully paid-up

20,000 (2012:20,000) Equity Shares of Rs. 10 each fully paid-up

2,00,000

2,00,000

2,00,000**2,00,000****(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**

Equity shares	31 March 2013		31 March 2012	
	No.	Amount	No.	Amount
At the beginning of the period	20,000	2,00,000	20,000	2,00,000
Issued during the period	-	-	-	-
Outstanding at the end of the period	20,000	2,00,000	20,000	2,00,000

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 2013 Amount	31 March 2012 Amount
Holding Company : Gokaldas Exports Ltd.,	2,00,000	2,00,000

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

Equity shares	31 March 2013		31 March 2012	
	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.

4 Reserves and Surplus**Capital Reserves**

Balance as per last account

10,988

10,988

Securities Premium Reserve

Balance as per last account

63,86,000

63,86,000

Surplus / (deficit) in the statement of profit and loss

Balance as per last financial statements

1,39,969

(12,05,245)

Profit / (loss) for the year

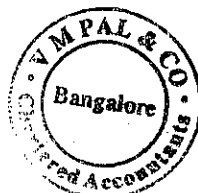
2,84,083

13,45,214

Net surplus / (deficit) in the statement of profit and loss

4,24,052

1,39,969

68,21,040**65,36,957**

5 Provisions

	Long Term		Short term	
	31 March 2013	31 March 2012	31 March 2013	31 March 2012
Provision for employee benefits				
Provision for gratuity	21,47,166	10,60,865	6,82,674	1,58,726
Provision for leave benefits	-	17,82,894	16,77,661	4,55,854
	21,47,166	28,43,759	23,60,335	6,14,580

6 Trade payables and Other Current Liabilities**Trade Payables**

to Micro and Small Enterprises
to Others

31 March 2013 **31 March 2012**

	1,94,559	7,42,076
	1,94,559	7,42,076

Other current liabilities

Due to Holding Company
Employees benefit payable
Other expenses payable
Bank Overdraft
ESI payable
Provident fund payable
TDS payable
Professional tax payable

	-	60,95,529
	1,30,39,903	73,01,839
	13,62,735	8,46,805
	2,45,489	42,17,027
	5,26,938	4,21,417
	16,71,388	13,51,797
	1,24,769	1,19,010
	11,650	6,155

1,69,82,872 2,03,59,579

1,71,77,431 **2,11,01,655**

8 Non-current investments

Non Trade Investments [valued at cost unless stated otherwise]

Investment in Government Securities (unquoted)
Indira Vikas Patra

31 March 2013 **31 March 2012**

1,000 1,000

1,000 **1,000**

9 Loans and advances

(unsecured, considered good)

	Non-current		Current	
	31 March 2013	31 March 2012	31 March 2013	31 March 2012
Security deposits	37,200	56,000	-	-
Fellow Subsidiaries	-	-	-	1,13,373
Advances recoverable in cash / kind	-	-	1,103	-
Other Advances	19,63,282	20,21,410	-	11,22,300
Advance Tax (net of provisions)	93,28,882	-	-	68,38,365
Prepaid expenses	-	-	3,30,280	91,893
Loans and advances to employees	-	-	1,23,983	5,19,660
	1,13,29,364	20,77,410	4,55,366	86,85,591



10 Inventories

[Valued at lower of cost and net realisable value]

Work-in-progress

31 March 2013 **31 March 2012**

- 84,17,664

- **84,17,664****11 Trade Receivables**

(unsecured, considered good)

Current

31 March 2013 **31 March 2012**- Outstanding for a period exceeding six months
from the date they are due for payment

- Other receivables

- 1,37,088

Due from holding Company

1,23,15,981

-

Total Trade receivables**1,23,15,981****1,37,088****12 Cash and bank balances**

Current

31 March 2013 **31 March 2012**Cash and cash equivalents

Balance with banks :

- in Current accounts

2,13,296

67,21,610

Cash on hand

73,735

1,40,945

Total Cash and cash equivalents**2,87,031****68,62,555****13 Other assets**

(unsecured, considered good)

Current

31 March 2013 **31 March 2012**

Insurance claim receivable

32,800

32,800

32,800**32,800**

MADHIN TRADING PRIVATE LIMITED

NOTES TO ACCOUNTS FOR THE YEAR ENDED MARCH, 31, 2013

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 2011	4,27,874	15,00,000	37,56,070	1,01,548	39,59,555	24,18,186	84,009	1,22,47,242
Additions		5,50,000	2,02,032	10,200	93,476			8,55,708
At 31 March 2012	4,27,874	20,50,000	39,58,102	1,11,748	40,53,031	24,18,186	84,009	1,31,02,950
Additions						68,099		68,099
At 31 March 2013	4,27,874	20,50,000	39,58,102	1,11,748	40,53,031	24,86,285	84,009	1,31,71,049
Depreciation								
At 1 April 2011	4,27,874	1,87,500	16,09,697	52,571	32,84,632	15,97,688	62,698	72,22,660
Charge for the year		1,61,905	3,45,302	7,645	1,46,617	1,27,454	8,524	7,97,447
At 31 March 2012	4,27,874	3,49,405	19,54,999	60,216	34,31,249	17,25,142	71,222	80,20,107
Charge for the year		3,00,952	2,61,415	7,168	1,14,038	1,77,824	5,115	8,66,512
At 31 March 2013	4,27,874	6,50,357	22,16,414	67,384	35,45,287	19,02,966	76,337	88,86,619
Net Block								
At 31 March 2012	-	17,00,595	20,03,103	51,532	6,21,782	6,93,044	12,787	50,82,843
At 31 March 2013	-	13,99,643	17,41,688	44,364	5,07,744	5,83,319	7,672	42,84,430



MADHIN TRADING PRIVATE LIMITED**Statement of profit and loss for the year ended 31 March 2013***All amounts in Indian Rupees, except stated otherwise*

	Notes	31 March 2013	31 March 2012
Revenue from operations	14	12,90,62,403	9,97,43,150
Other income	15	2,15,21,307	1,69,662
Total Revenue		15,05,83,710	9,99,12,812
Expenses			
Cost of materials consumed	16	84,17,664	(84,17,664)
(Increase) / decrease in inventories	17	12,58,74,618	9,49,89,304
Employee benefits expense	18	1,46,16,481	1,07,69,999
Other expenses	19	8,66,512	7,97,447
Depreciation and amortisation expense	20	37,092	8,861
Finance costs		14,98,12,367	9,81,47,947
Total Expenses		7,71,343	17,64,865
Profit before tax			
Tax expense:		2,68,511	3,90,624
Current tax		2,18,749	29,027
Tax of earlier years (net)		4,87,260	4,19,651
		2,84,083	13,45,214
Profit for the period			
Earnings per equity share - (Nominal value per share - Rs. 10) :			
Basic		14.20	67.26
Diluted		14.20	67.26

Summary of significant accounting policies 2
The accompanying notes are integral part of the financial statements.

As per our report of even date
For V. M. PAL & Co.,
Firm Regn. No. 09075S
Chartered Accountants

A. V. PAL
Partner
(Membership No.37316)
Place : Bangalore
Date : 15th May 2013



For and on behalf of the Board
For MADHIN TRADING PRIVATE LIMITED

Gautam Chakravarti
Director

Sumit Keshan
Director

MADHIN TRADING PRIVATE LIMITED**Notes to financial statements for the year ended 31 March 2013***All amounts in Indian Rupees, except stated otherwise*

	<u>31 March 2013</u>	<u>31 March 2012</u>
14 Revenue from operations		
Contract Receipts	12,90,62,403	9,97,43,150
	<u>12,90,62,403</u>	<u>9,97,43,150</u>
15 Other Income		
Other non-operating income	2,15,21,307	1,69,662
	<u>2,15,21,307</u>	<u>1,69,662</u>
16 (Increase) / decrease in inventories		
Inventories at the beginning of the year		
Finished goods		
Work-in-progress	84,17,664	-
	<u>84,17,664</u>	<u>-</u>
Inventories at the end of the year		
Finished goods	-	-
Work-in-progress	-	84,17,664
	<u>-</u>	<u>84,17,664</u>
(increase)/ decrease	<u>84,17,664</u>	<u>(84,17,664)</u>
<u>Details of inventory</u>		
Finished goods - Readymade garments		
Work-in-progress - Readymade garments	84,17,664	-
17 Employee benefits expense		
Salaries, wages and bonus	10,58,62,449	8,22,27,636
Contribution to provident fund and other fund	1,39,37,746	1,02,72,889
Gratuity expense	18,72,174	13,08,197
Staff welfare expenses	42,02,249	11,80,582
	<u>12,58,74,618</u>	<u>9,49,89,304</u>
18 Other expenses		
Consumption of consumables, stores and spares	-	791
Power and fuel	26,41,364	23,99,993
Other manufacturing expenses	2,00,911	1,52,668
Job work charges	4,12,842	-
Repairs and maintenance		
- Plant and machinery	3,52,804	3,57,063
- Buildings	4,55,291	1,65,489
- Others	5,42,946	4,11,840
Rent	49,34,960	48,15,399
Insurance	-	21,356
Rates and taxes	1,37,388	99,509
Legal and professional charges	2,15,976	86,887
Printing and stationery	7,366	10,918
Bad debts written off	14,22,160	-
Communication costs	21,919	68,214
Travelling and conveyance	5,93,425	4,15,114
Payment to auditors	40,532	44,944
Other Miscellaneous expenses	26,36,597	17,19,814
	<u>1,46,16,481</u>	<u>1,07,69,999</u>



Payment to auditor

As Auditor

Audit fees

40,532

44,944

40,532

44,944

31 March 2013

31 March 2012

19 Depreciation and amortisation expense

Depreciation on tangible assets

8,66,512

7,97,447

8,66,512

7,97,447

20 Finance costs

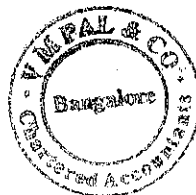
Bank charges

37,092

8,861

37,092

8,861



MADHIN TRADING PRIVATE LIMITED

SCHEDULES ANNEXED TO AND FORMING PART OF ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2013

1. Corporate Information:

Madhin Trading Private Limited (herein after referred to as "the Company") was incorporated on 27th February 2003. The Company took over all the assets and liabilities of M/s Carnival Clothing Company as a going concern on 1st July 2004. The Company became a subsidiary of Gokaldas Exports Limited on 1st December 2004.

2. Basis of preparation of financial statements

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP) and complies in all material respects with the notified accounting standards under Companies (Accounting Standards) Rules (as amended), 2006 and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis except in case of assets for which provision for impairment is made and revaluation is carried out. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

2.1 Summary of Significant accounting policies

a) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets, and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in outcomes requiring material adjustment to the carrying amounts of assets and liabilities in future periods.

b) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Revenue from sale of goods is recognized when significant risks and rewards of ownership of the goods are transferred to the customer.

Export incentives are recognized on accrual basis in accordance with the applicable schemes formulated, by the Government of India.

Revenues from job work contract are recognized as and when services are rendered.

Dividend income on investments is accounted when the right to receive the dividend is established as at reporting date.

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable. Insurance / other claims are recognized on acceptance basis.

c) Fixed assets and depreciation/ amortization (tangible and intangible)

Fixed assets are stated at cost of acquisition/construction less accumulated depreciation and impairment losses if any, net of grants received, where applicable and subsequent improvements thereto including



taxes, duties, freight, and other incidental expenses related to acquisition/construction. Any trade discounts and rebates are deducted in arriving at the purchase price.

Depreciation is provided using the written down value method as per the useful lives of the assets estimated by the management, or at the rates prescribed under Schedule XIV of the Companies Act, 1956 whichever is higher.

	<u>Rate of depreciation (WDV)</u>
Buildings	10.00%
Plant & Machinery	13.91%
Electrical Equipments	13.91%
Office Equipments	13.91%
Furniture & Fixtures	18.10%
Computers	40.00%
Vehicles	25.89%
Computer Software (Intangibles)	40.00%

Assets individually costing Rs. 5,000 or less are fully depreciated in the year of addition. Leasehold improvements are depreciated over the primary lease period or useful life, whichever is lower.

Intangible assets comprising of Know-how (Process improvement costs) are amortized over 36 months.

d) Borrowing Costs

Borrowing costs includes interest, amortisation of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs attributable to acquisition and construction of qualifying assets that necessarily takes substantial period of time to get ready for its intended use are capitalized as a part of the cost of such asset. All other borrowing costs are expensed in the period they occur.

e) Impairment of tangible and intangible assets

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount. If the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognized in the statement of profit and loss to the extent the carrying amount exceeds the recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

f) Inventories

Raw materials, packing materials, stores, spares, and consumables are valued at lower of cost and net realizable value. Cost is determined on a weighted average basis. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Finished goods and work in progress are valued at lower of cost and net realisable value after considering provision for obsolescence and other anticipated loss, wherever considered necessary. Finished goods and work in progress includes cost of conversion and other production overheads. Cost is determined on a weighted average basis. Cost of finished goods includes excise duty.



method at the year end. Actuarial gains or losses are immediately taken to statement of profit and loss and are not deferred. The company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for twelve months after the reporting date. Where company has the unconditional legal and contractual right to defer the settlement for a period beyond twelve months, the same is presented as non-current liability.

The company recognises termination benefit as a liability and an expense when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the termination benefits fall due more than twelve months after the balance sheet date, they are measured at present value of future cash flows using the discount rate determined by reference to market yields at the balance sheet date on government bonds.

k) Taxation

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, deferred tax asset is recognised only to the extent that it has timing differences the reversal of which will result in sufficient income or there is other convincing evidence that sufficient taxable income will be available against which such deferred tax assets can be realised.

At each reporting date, the Company re-assesses unrecognised deferred tax assets. It recognises deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised.

Minimum Alternative Tax ('MAT') credit is recognised, as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT Credit Entitlement. The Company reviews the same at each reporting date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

l) Accounting for leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.



m) Provisions

A provision is recognised when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the reporting date. These are reviewed at each reporting date and adjusted to reflect the current best estimates.

n) Segment Reporting Policies

(i) Identification of segments:

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

(ii) Basis of allocation:

Assets, liabilities, income, and expenditure are allocated to each segment according to the relative contribution of each segment to the total amount. Unallocated items include general corporate items, which are not allocated to any segment.

(iii) Segment Policies:

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

o) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares).

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

p) Contingent Liability

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the controls of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

q) Cash and Cash equivalents

Cash and cash equivalents for the purpose of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.



Notes to Account

21. Contingent liabilities

(Amount in Rs.)

Particulars	2012	2011
Claims against the Company not acknowledged as debts	Nil	Nil
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

22. 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)

	2013	2012
Current Service Cost	1,860,423	1,307,425
Interest cost on benefit obligation	110,956	24,248
Expected Return on Plan Assets	(20,504)	(11,810)
Actuarial gain/(loss)	(78,701)	(11,666)
Net benefit expense	1,872,174	1,308,197

Details of Provision for gratuity (in Balance Sheet)

(Amount in Rs)

	2013	2012
Defined benefit obligation	3,106,641	1,475,888
Fair value of plan asset	276,801	256,267
Plan liability	(2,829,840)	(1,219,591)

Changes in the present value of the defined benefit obligation are as follows:

(Amount in Rs)

	2013	2012
Opening defined benefit obligation – Current	158,726	34,813
Opening defined benefit obligation – Non Current	1,317,162	381,423
Current Service Cost	1,860,423	1,307,425
Interest Cost	110,956	24,248
Benefits Paid	(261,925)	(261,925)
Actuarial (gain)/loss	(78,701)	(10,096)
Closing defined benefit obligation – current	682,674	158,726
Closing defined benefit obligation – Non current	2,423,967	1,317,162



Changes in the fair value of plan asset are as follows:

	(Amount in Rs)	
	2013	2012
Opening fair value of plan asset	256,297	52,343
Expected return	20,504	11,810
Actuarial gain/(loss)	-	1,570
Contributions (less risk premium, service tax)	-	190,574
Benefits Paid	-	-
Contribution for Benefits settled directly by company	261,925	261,925
Benefits settled directly by company	(261,925)	(261,925)
Closing fair value of plan asset	276,801	256,297

The principal assumptions used in determining gratuity obligations for the Company's plan are shown below: (years not shown)

Interest Rate	8.25%	8.50%
Discount Factor	8.25%	8.50%
Estimated Rate of return on Plan Assets	8.00%	8.00%
Attrition Rate	40.00%	25.00%
Rate of escalation in Salary per annum	5.00%	5.00%
Retirement Age	60	58%

The Company expects to contribute Rs. 2,830,000 to gratuity in 2013-14.

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

	2013	2012
Investments with insurer %	100	100

Notes:

1. 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.

23. Segment information

a) Primary business segment

The Company is engaged in a single business segment of job work related 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):

Geographical Segment	Revenues	Carrying amount of segment assets (Debtors)
In India	129,062,403 (99,743,150)	12,315,981 (137,088)
Outside India	-	-
Total	129,062,403 (99,743,150)	12,315,981 (137,088)

Note:

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



24. 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 Glamourwear Apparels Private Limited All Colour Garments 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. Gautam Chakravarti
(ii)	Director	Mr. Sumit Keshan

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:

Figures in brackets relate to previous year.

(Amount in Rs)

Nature of transactions	Holding Company	Fellow Subsidiaries	Others	Total
	A(a)(i)	A(a)(ii)		
Income				
Job work charges	114,270,420 (51,489,710)			114,270,420 (51,489,710)
Balances outstanding as at March 31, 2013				
-- Credit balances	Nil (6,095,529)			Nil (6,095,529)
-- Debit balances	12,315,981 (Nil)	Nil (113,373)		12,315,981 (113,373)

Disclosure for transactions that exceed 10% of total value of each class of transactions:

(Amount in Rs)

	2013	2012
Closing Debit Balances		
Magenta Trading Private Limited	-	113,373



25. 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.

26. Earnings per share

(Amount in Rs)

Particulars	2013	2012
Net profit for the year as per profit and loss account before exceptional items	284,083	1,345,214
Net profit for the year as per profit and loss account after exceptional items	284,083	1,345,214
Weighted average number of equity shares (Nos.)	20,000	20,000
Nominal value per share	10	10
Earnings per share – Basic and diluted		
Before exceptional items	14.20	67.26
After exceptional items		

27. Deferred taxes – Components Assets / (Liability)

(Amount in Rs)

Particulars	As at March 31, 2012	Current year (charge)/credit	As at March 31, 2013
Difference between book and tax base of fixed assets	-		-
Relating to Loss carried forward	-		-
Total	-		-

28. CIF value of imports

Current Year : Nil Previous Period : Nil

29. Expenditure in foreign currency on accrual basis

Current Year : Nil Previous Period : Nil

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

Particulars	2013		2012	
	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				



31. Earnings in foreign currency

Current Year : Nil Previous Period : Nil

32. 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.
33. Previous year's figures have been regrouped/rearranged/reclassified, wherever necessary to conform to the current year's presentation.

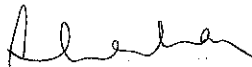
Signatures to schedules 1 to 33

For and on behalf of the Board

For MADHIN TRADING PRIVATE LIMITED



Gautam Chakravarti
Director



Sumit Keshan
Director



As per our report of even date

For V.M.Pal & Co.

Firm Regn. No.09075S

Chartered Accountants


A.V. Pal
(Partner)

(Membership No.37316)

Bangalore:

Dated: May 15, 2013

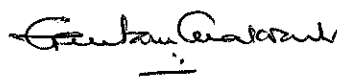
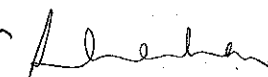
MADHIN TRADING PRIVATE LIMITED

Cash-flow statement for the year ended 31 March 2013

All amounts in Indian Rupees, except stated otherwise

PARTICULARS	2013	2012
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before tax from continuing operations	7,71,343	17,64,865
Loss before tax	7,71,343	17,64,865
Non-cash adjustment to recincile profit before tax to net cash flow		
Depreciation/amortization on continuing operations	8,66,512	7,97,447
Operating Profit before working capital changes	16,37,855	25,62,312
Movements in Working Capital :		
(Increase)/Decrease in inventories	84,17,664	(84,17,664)
(Increase)/Decrease in trade receivables	(1,21,78,893)	(1,37,088)
(Increase)/Decrease in other current assets	-	(32,800)
(Increase)/Decrease in non current loans and advances	76,928	(19,31,410)
(Increase)/Decrease in current loans and advances	13,91,860	25,51,799
Increase/(Decrease) in trade payables	(5,47,517)	3,77,235
Increase/(Decrease) in other current liabilities	(33,76,706)	1,03,69,119
Increase/(Decrease) in long term provisions	(6,96,593)	21,23,172
Increase/(Decrease) in short term provisions	17,45,755	5,09,980
Cash Generated from /(used in) Operations	(35,29,647)	79,74,655
Direct taxes paid (net of refunds)	(29,77,777)	(13,91,505)
Net Cash Flow from Operating Activities	(65,07,424)	65,83,150
Net Cash Flow from/(used in) Operating Activities	(65,07,424)	65,83,150
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	(68,099)	(8,55,708)
Net Cash Flow from / (used in) Investing Activities	(68,099)	(8,55,708)
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)	(65,75,523)	57,27,442
E. Opening Balance of Cash & Cash Equivalents	68,62,555	11,35,113
F. Closing Balance of Cash & Cash Equivalents	2,87,032	68,62,555
Components of Cash and Cash Equivalents		
Cash on hand	73,735	1,40,945
Bank Balances with Scheduled Banks:		
-- in Current Accounts	2,13,296	67,21,610
	2,87,031	68,62,555
	2,87,031	68,62,555

For and on behalf of the Board
For MADHIN TRADING PRIVATE LIMITED

Gautam Chakravarti Sumit Keshan
Director Director

Place : Bangalore

Date : 15th May 2013



As per our report of even date

For V. M. PAL & Co.,
Firm Regn. No. 09075S
Chartered Accountants


A. V. PAL

Partner

(Membership No.37316)