

MADHIN TRADING PRIVATE LIMITED**Balance Sheet as at 31 March 2015***All amounts in Indian Rupees, except stated otherwise*

	Notes	31 March 2015	31 March 2014
<u>EQUITY AND LIABILITIES</u>			
Shareholder's funds			
Share Capital	3	200,000	200,000
Reserves and Surplus	4	7,222,932	7,134,148
		7,422,932	7,334,148
Non- current liabilities			
Long-term Provisions	5	-	3,213,486
		-	3,213,486
Current Liabilities			
Trade payables	6	440,913	123,083
Other current liabilities	6	21,812,488	15,151,483
Short term provisions	5	8,066,304	3,215,994
		30,319,705	18,490,560
TOTAL		37,742,637	29,038,194
<u>ASSETS</u>			
Non-current assets			
Fixed assets	7		
Tangible assets		2,314,097	3,560,830
Intangible assets		-	-
Capital work-in-progress		-	-
		2,314,097	3,560,830
Non-current investments	8	1,000	1,000
Long-term loans and advances	9	7,989,567	11,915,609
		10,304,664	15,477,439
Current assets			
Trade receivables	10	26,380,468	11,708,126
Cash and Cash equivalents	11	525,234	1,397,843
Short-term loans and advances	9	532,270	454,786
		27,437,972	13,560,755
TOTAL		37,742,637	29,038,194
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 : 20th May 2015



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

Gautam Chakravarti
Director

Sumit Keshan
Director

MADHIN TRADING PRIVATE LIMITED**Statement of profit and loss for the year ended 31 March 2015***All amounts in Indian Rupees, except stated otherwise*

	Notes	31 March 2015	31 March 2014
Revenue from operations	13	156,813,665	133,829,835
Other income	14	354,453	-
Total Revenue		157,168,118	133,829,835
Expenses			
Employee benefits expense	15	141,013,350	119,330,895
Other expenses	16	14,214,312	12,220,647
Depreciation and amortisation expense	17	1,243,157	723,600
Finance costs	18	29,054	23,098
Total Expenses		156,499,873	132,298,240
Profit before tax		668,245	1,531,595
Tax expense:			
Current tax		400,834	483,783
Tax of earlier years (net)		152,052	734,704
		552,886	1,218,487
Profit for the period		115,359	313,108
Earnings per equity share - (Nominal value per share - Rs. 10) :			
Basic		5.77	15.66
Diluted		5.77	15.66

Summary of significant accounting policies 2

The accompanying notes are integral part of the financial statements.

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Director

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Director

MADHIN TRADING PRIVATE LIMITED**Notes to financial statements for the year ended 31 March 2015***All amounts in Indian Rupees, except stated otherwise***3 Share Capital**Authorised shares

20,000 (2014:20,000) Equity Shares of Rs. 10 each

Issued, subscribed and fully paid-up

20,000 (2014:20,000) Equity Shares of Rs. 10 each fully paid-up

31 March 2015 **31 March 2014**

200,000 200,000

200,000 **200,000**

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 2015		31 March 2014	
	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 2015 Amount
Holding Company : Gokaldas Exports Ltd.,	200,000

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

Equity shares	31 March 2015		31 March 2014	
	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

31 March 2015 **31 March 2014**

10,988 10,988

Securities Premium Reserve

Balance as per last account

6,386,000 6,386,000

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

Balance as per last financial statements

737,160 424,052

Depreciation Reserve as per new Schedule II

(26,575) -

Profit / (loss) for the year

115,359 313,108

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

825,944 737,160

7,222,932 **7,134,148**

MADHIN TRADING PRIVATE LIMITED**Notes to financial statements for the year ended 31 March 2015****5 Provisions**

	Long Term		Short term	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
Provision for employee benefits	-	3,213,486	4,669,116	875,469
Provision for gratuity	-	-	3,397,188	2,340,525
Provision for leave benefits	-	3,213,486	8,066,304	3,215,994

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

- to Micro and Small Enterprises
- to Others

Other current liabilities

- Employees benefit payable
- Other expenses payable
- Book Overdraft
- ESI payable
- Provident fund payable
- TDS payable
- Professional tax payable

31 March 2015 **31 March 2014**

440,913 123,083

440,913 123,083

15,613,290 11,488,830

1,658,049 1,530,614

1,886,590 81,404

515,052 449,351

1,954,181 1,477,683

170,026 111,051

15,300 12,550

21,812,488 15,151,483

22,253,401 **15,274,566**

8 Non-current investments

Non Trade investments [valued at cost unless stated otherwise]

Investment in Government Securities (unquoted)

Indira Vikas Patra

31 March 2015 **31 March 2014**

1,000 1,000

1,000 **1,000**

9 Loans and advances

(unsecured, considered good)

Non-current

31 March 2015 31 March 2014

332,360 82,360

Advances recoverable in cash / kind

- -

Other Advances

- 1,032,862

Advance Tax (net of provisions)

7,657,207 10,800,387

Prepaid expenses

- -

Loans and advances to employees

- -

7,989,567 **11,915,609**

Current

31 March 2015 31 March 2014

- -

- -

- -

- -

398,290 262,306

133,980 192,480

532,270 **454,786**

10 Trade Receivables

(unsecured, considered good)

- Outstanding for a period exceeding six months from the date they are due for payment

- Other receivables

Due from holding Company

Current
31 March 2015 31 March 2014

- 180,746

26,380,468 11,527,380

26,380,468 **11,708,126**

Total Trade receivables

11 Cash and bank balances**Cash and cash equivalents**

Balance with banks :

-- in Current accounts

Cash on hand

Current
31 March 2015 31 March 2014

387,476 1,252,742

137,758 145,101

525,234 **1,397,843**

Total Cash and cash equivalents



MADHIN TRADING PRIVATE LIMITED

NOTES TO ACCOUNTS FOR THE YEAR ENDED MARCH, 31, 2015

7 Tangible assets

	Building	Improvement on lease hold rights	Electrical Equipments	Office Equipments	Furniture & Fixtures	Plant & Machinery	Computers	Total
<i>Cost or valuation</i>								
At 1 April 2013	427,874	2,050,000	3,958,102	111,748	4,053,031	2,486,285	84,009	13,171,049
Additions	-	-	-	-	-	-	-	-
	427,874	2,050,000	3,958,102	111,748	4,053,031	2,486,285	84,009	13,171,049
Disposals	-	-	-	-	-	-	-	-
At 31 March 2014	427,874	2,050,000	3,958,102	111,748	4,053,031	2,486,285	84,009	13,171,049
Additions	-	-	11,000	-	-	12,000	-	23,000
Other adjustments	-	-	-	-	-	-	-	-
	427,874	2,050,000	3,969,102	111,748	4,053,031	2,498,285	84,009	13,194,049
Disposals	-	-	-	-	-	-	-	-
At 31 March 2015	427,874	2,050,000	3,969,102	111,748	4,053,031	2,498,285	84,009	13,194,049
<i>Depreciation</i>								
At 1 April 2013	427,874	650,357	2,216,414	67,384	3,545,287	1,902,966	76,337	8,886,619
Charge for the year	-	300,952	225,052	6,171	93,894	94,462	3,069	723,600
Disposals	-	-	-	-	-	-	-	-
At 31 March 2014	427,874	951,309	2,441,466	73,555	3,639,181	1,997,428	79,406	9,610,219
Charge for the year	-	300,952	593,194	5,061	221,206	122,744	-	1,243,157
Dep on Expired Asset	-	-	-	26,173	-	-	403	26,575
At 31 March 2015	427,874	1,252,262	3,034,660	104,789	3,860,387	2,120,172	79,809	10,879,952

Net Block

At 31 March 2014	1,098,691	1,516,636	38,193	413,850	488,857	4,603	3,560,830
At 31 March 2015	797,738	934,442	6,959	192,644	378,113	4,200	2,314,097



MADHIN TRADING PRIVATE LIMITED**Notes to financial statements for the year ended 31 March 2015***All amounts in Indian Rupees, except stated otherwise*

	<u>31 March 2015</u>	<u>31 March 2014</u>
13 Revenue from operations		
Contract Receipts	156,813,665	133,829,835
	156,813,665	133,829,835
14 Other Income		
Other non-operating income	265,328	-
Excess provision of earlier years	89,125	-
	354,453	-
15 Employee benefits expense		
Salaries, wages and bonus	120,221,587	102,956,471
Contribution to provident fund and other fund	16,271,434	13,034,434
Gratuity expense	1,888,669	1,259,115
Staff welfare expenses	2,631,660	2,080,875
	141,013,350	119,330,895
16 Other expenses		
Power and fuel	3,301,026	2,670,319
Other manufacturing expenses	179,615	140,630
Job work charges	476,037	143,649
Repairs and maintenance		
- Plant and machinery	42,309	93,215
- Buildings	2,000	105,244
- Others	153,317	92,793
Rent	5,801,856	5,180,408
Rates and taxes	122,912	155,895
Legal and professional charges	196,244	133,617
Printing and stationery	-	1,950
Bad debts written off	180,745	-
Communication costs	54,798	39,549
Travelling and conveyance	724,033	663,289
Auditors' Remuneration	50,450	40,532
Other Miscellaneous expenses	2,928,970	2,759,557
	14,214,312	12,220,647
Payment to auditor		
As Auditor		
Audit fees	50,450	40,532
	50,450	40,532



MADHIN TRADING PRIVATE LIMITED

Notes to financial statements for the year ended 31 March 2015

	<u>31 March 2015</u>	<u>31 March 2014</u>
17 Depreciation and amortisation expense		
Depreciation on tangible assets	1,243,157	723,600
	<u>1,243,157</u>	<u>723,600</u>
18 Finance costs		
Bank charges	28,678	23,098
Interest on others	376	-
	<u>29,054</u>	<u>23,098</u>





MADHIN TRADING PRIVATE LIMITED

Cash-flow statement for the year ended 31 March 2015
All amounts in Indian Rupees, except stated otherwise

PARTICULARS	2015	2014
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before tax from continuing operations	668,245	1,531,595
Loss before tax	668,245	1,531,595
Non-cash adjustment to reconcile profit before tax to net cash flow		
Depreciation/amortization on continuing operations	1,243,157	723,600
Operating Profit before working capital changes	1,911,403	2,255,195
Movements in Working Capital :		
(Increase)/Decrease in inventories		-
(Increase)/Decrease in trade receivables	(14,672,342)	607,855
(Increase)/Decrease in other current assets	-	32,800
(Increase)/Decrease in non current loans and advances	782,862	885,260
(Increase)/Decrease in current loans and advances	(77,485)	580
Increase/(Decrease) in trade payables	317,830	(71,476)
Increase/(Decrease) in other current liabilities	6,661,005	(1,831,390)
Increase/(Decrease) in long term provisions	(3,213,486)	1,066,320
Increase/(Decrease) in short term provisions	4,850,310	855,659
Cash Generated from /(used in) Operations	(3,439,903)	3,800,803
Direct taxes paid (net of refunds)	2,590,295	(2,689,991)
Net Cash Flow from Operating Activities	(849,609)	1,110,812
Net Cash Flow from/(used in) Operating Activities	(849,609)	1,110,812
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	(23,000)	-
Net Cash Flow from / (used in) Investing Activities	(23,000)	-
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)	(872,609)	1,110,812
E. Opening Balance of Cash & Cash Equivalents	1,397,843	287,031
F. Closing Balance of Cash & Cash Equivalents	525,234	1,397,843
Components of Cash and Cash Equivalents		
Cash on hand	137,758	145,101
Bank Balances with Scheduled Banks:		
-- in Current Accounts	387,476	1,252,742
	525,234	1,397,843
	525,234	1,397,843

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


Gautam Chakravarti
Director
Place : Bangalore
Date : 20th May 2015


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)

MADHIN TRADING PRIVATE LIMITED

SCHEDULES ANNEXED TO AND FORMING PART OF ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2015

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). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014. 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 with residual value at 5%, which is equal to the corresponding rates prescribed under schedule II of the Companies Act, 2013.

	<u>useful life estimated by the management (years)</u>
Buildings	30
Plant & Machinery	15
Electrical Equipments	10
Office Equipments	5
Furniture & Fixtures	10
Computers	6
Vehicles	8
Computer Software (Intangibles)	3

Leasehold improvements are depreciated over the primary lease period or useful life, whichever is lower which ranges between 5 to 10 years

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.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

g) Foreign currency transactions

(i) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

(iii) Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting monetary items of Company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise.

h) Government Grants and subsidies

Grants and subsidies from the government are recognized when there is reasonable assurance that the grant/subsidy will be received and all attaching conditions will be complied with.

When the grant or subsidy relates to an expense item, it is netted off with the relevant expense. Where the grant or subsidy relates to an asset, its value is deducted in arriving at the carrying amount of the related asset.

i) Investments

Investments that are readily realizable and intended to be held for not more than a year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged / credited to statement of profit and loss.

j) Retirement and Other Employee Benefits

(i) Defined Contribution Plans:

Contributions to provident fund are made at pre-determined rates and charged to the statement of profit and loss for the year when contributions are due. The Company has no obligation, other than the contribution payable to the provident fund.

(ii) Defined Benefit Plans:

Gratuity liability is accrued in the books based on actuarial valuation on projected unit credit method as at reporting date. Actuarial gains or losses are immediately taken to statement of profit and loss and are not deferred.

(iii) Compensated absences:

Accumulated leave, which is expected to be utilised within the next twelve months, is treated as short-term employee benefit. The Company treats accumulated leave expected to be carried forward beyond



twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the basis of an actuarial valuation using the projected unit credit 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.

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

19. Contingent liabilities

(Amount in Rs.)

Particulars	2015	2014
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

The Company does not have any further pending litigations which would impact its financial position.

20. 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)

	2015	2014
Current Service Cost	1,782,731	1,204,365
Interest cost on benefit obligation	398,333	283,326
Expected Return on Plan Assets	(176,220)	(22,144)
Actuarial gain/(loss)	(116,175)	(206,432)
Net benefit expense	1,888,669	1,259,115

Details of Provision for gratuity (in Balance Sheet)

(Amount in Rs)

	2015	2014
Defined benefit obligation	6,268,742	4,384,440
Fair value of plan asset	1,599,626	295,485
Plan liability	(4,669,116)	(4,088,955)

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

(Amount in Rs)

	2015	2014
Opening defined benefit obligation – Current	875,469	682,674
Opening defined benefit obligation – Non Current	3,508,971	2,423,967
Current Service Cost	1,782,731	1,204,365
Interest Cost	398,333	283,326
Actuarial (gain)/loss	(263,254)	-
Benefits Paid	(33,508)	(209,892)
Closing defined benefit obligation – current	6,268,742	875,469
Closing defined benefit obligation – Non current	-	3,508,971



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

(Amount in Rs)

	2015	2014
Opening fair value of plan asset	295,485	276,801
Expected return	176,220	22,144
Actuarial gain/(loss)	(147,079)	(3,460)
Contributions (less risk premium, service tax)	1,308,508	-
Benefits Paid	(33,508)	-
Contribution for Benefits settled directly by company	-	-
Benefits settled directly by company	-	-
Closing fair value of plan asset	1,599,626	295,485

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

Interest Rate	7.95%	9.12%
Discount Factor	7.95%	9.12%
Estimated Rate of return on Plan Assets	8.00%	8.00%
Attrition Rate	40.00%	40.00%
Rate of escalation in Salary per annum	12.00%	20.00%
Retirement Age	60	60

The Company expects to contribute Rs. 46.50 lakhs to gratuity fund account in 2015-16.

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

	2015	2014
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.

21. 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):

(Amount in Rs)

Geographical Segment	Revenues	Carrying amount of segment assets (Debtors)
In India	156,813,665 (133,829,835)	26,380,468 (11,708,126)
Outside India	-	-
Total	156,813,665 (133,829,835)	26,380,468 (11,708,126)

Note:

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



22. 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	156,158,465 (131,968,145)			156,158,465 (131,968,145)
Balances outstanding as at March 31, 2015				
-- Credit balances	(Nil) (Nil)			Nil (Nil)
-- Debit balances	26,380,468 (11,527,380)	(Nil) (Nil)		26,380,468 (11,527,380)

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



23. 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.

24. Earnings per share

(Amount in Rs)

Particulars	2015	2014
Net profit for the year as per profit and loss account before exceptional items	115,359	313,108
Net profit for the year as per profit and loss account after exceptional items	115,359	313,108
Weighted average number of equity shares (Nos.)	20000	20,000
Nominal value per share	10	10
Earnings per share – Basic and diluted		
Before exceptional items	5.77	15.66
After exceptional items		

25. Deferred taxes – Components Assets / (Liability)

(Amount in Rs)

Particulars	As at March 31, 2014	Current year (charge)/credit	As at March 31, 2015
Difference between book and tax base of fixed assets	-	-	-
Relating to Loss carried forward	-	-	-
Total	-	-	-

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	2015		2014	
	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. Depreciation on tangible fixed assets

Pursuant to the requirements of Schedule II of the Companies Act, 2013 ("the Act"), management has reassessed and changed, wherever necessary the useful lives to compute depreciation. Accordingly, the carrying amount as at April 1, 2014 is being depreciated over the revised remaining useful life of the asset. The carrying value of Rs. 26,575 in case of assets with nil revised remaining useful life as at April 1, 2014, is reduced from the retained earnings as at such date. Further, had the Company continued with the previously assessed useful lives, charge for depreciation for the year would have been lower by Rs. 769,064 with consequential impact in the profits for the year.

30. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

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



GautamChakravarti
Director



SumitKeshan
Director

Bangalore:
Dated: May 20,2015

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)

