

RAFTER TRADING 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	6,440,438	5,769,969
		6,640,438	5,969,969
Non- current liabilities			
Long-term borrowings			
Long-term Provisions	5	7,525,957	5,790,207
(b) Deferred Tax liabilities (Net)		-	-
		7,525,957	5,790,207
Current Liabilities			
Trade payables	6	154,432	896,372
Other current liabilities	6	33,967,562	37,119,473
Short term provisions	5	6,167,665	4,447,515
		40,289,659	42,463,360
TOTAL		54,456,054	54,223,536
<u>ASSETS</u>			
Non-current assets			
Fixed assets	7		
Tangible assets		19,267,361	13,921,922
Intangible assets		-	-
Capital work-in-progress			
		19,267,361	13,921,922
Long-term loans and advances	8	17,797,692	19,807,348
		37,065,053	33,729,270
Current assets			
Trade receivables	9	14,840,781	19,411,474
Cash and Cash equivalents	10	1,680,988	387,200
Short-term loans and advances	8	869,232	695,592
		17,391,001	20,494,266
TOTAL		54,456,054	54,223,536

Summary of significant accounting policies 2

The accompanying notes are integral part of the financial statements.

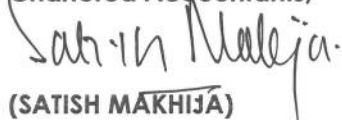
As per our report of even date

Vide our report of even date,

For Satish & Ravi Associates

Firm Regn. No.007214S

Chartered Accountants,



(SATISH MAKHIYA)

Partner

M No. 204258


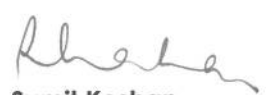
Place : Bangalore

Date : 8th May 2014



For and on behalf of the Board

For RAFTER TRADING PRIVATE LIMITED


Gautam Chakravarti
Director

Sumit Keshan
Director

RAFTER TRADING 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
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.

4 Reserves and Surplus**Securities Premium Reserve**

Balance as per last account

31 March 2014 **31 March 2013**

3,472,000 3,472,000

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

Balance as per last financial statements

2,297,969 1,544,697

Profit / (loss) for the year

670,469 753,272

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

2,968,438 2,297,969

Total Reserves and Surplus**6,440,438** **5,769,969**

RAFTER TRADING PRIVATE LIMITED

Notes to financial statements for the year ended 31 March 2014

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	7,525,957	5,790,207	1,375,846	1,102,597
Provision for leave benefits	-	-	4,791,819	3,344,918
	7,525,957	5,790,207	6,167,665	4,447,515

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

to Micro and Small Enterprises
to Others

	31 March 2014	31 March 2013
	154,432	896,372
	154,432	896,372

Other current liabilities

Employees benefit payable
Due to holding company
Due to fellow subsidiary
Other expenses payable
Book Overdraft
ESI payable
Provident fund payable
TDS payable
Service tax payable
Professional Tax Payable

	25,860,564	28,774,093
	-	-
	-	5,300
	4,369,358	3,904,407
	-	762,964
	945,858	1,001,552
	2,579,164	2,497,742
	188,368	147,265
	-	-
	24,250	26,150
	33,967,562	37,119,473
	34,121,994	38,015,845

8 Loans and advances

(unsecured, considered good)

	Non-current		Current	
	31 March 2014	31 March 2013	31 March 2014	31 March 2013
Security deposits	5,752,839	5,513,749	-	-
Advances recoverable in cash / kind	-	-	112,542	8,367
Advance Tax net of provisions	12,044,853	14,293,599	-	-
Prepaid expenses	-	-	15,900	59,654
Loans and advances to employees	-	-	740,790	627,571
	17,797,692	19,807,348	869,232	695,592

9 Trade Receivables

(unsecured, considered good)

- Outstanding for a period exceeding six months from the date they are due for payment
- Other receivables
From Holding Company

	Current	
	31 March 2014	31 March 2013
	-	-
	2,563,745	-
	12,277,036	19,411,474
	14,840,781	19,411,474

10 Cash and bank balances**Cash and cash equivalents**

Balance with banks :
 -- in Current accounts
Cash on hand

	Current	
	31 March 2014	31 March 2013
	1,356,890	251,957
	324,098	135,243
	1,680,988	387,200

RAFTER TRADING PRIVATE LIMITED

NOTES TO ACCOUNTS FOR THE YEAR ENDED MARCH, 31, 2014

7 Tangible assets

	Building	Improvement on lease hold rights	Electrical Equipments	Office Equipments	Furniture & Fixtures	Plant & Machinery	Total
Cost or valuation							
At 1 April 2012	1,734,940	302,131	13,814,458	775,990	7,575,615	14,181,172	38,384,306
Additions		867,800			63,000		930,800
Other adjustments							-
	1,734,940	1,169,931	13,814,458	775,990	7,638,615	14,181,172	39,315,106
Disposals	-	-	-	-	-	210,898	
At 31 March 2013	1,734,940	1,169,931	13,814,458	775,990	7,638,615	13,970,274	39,104,208
Additions		395,025			-	7,210,500	7,605,525
Other adjustments							
	1,734,940	1,564,956	13,814,458	775,990	7,638,615	21,180,774	46,709,733
Disposals						-	-
At 31 March 2014	1,734,940	1,564,956	13,814,458	775,990	7,638,615	21,180,774	46,709,733
Depreciation							
At 1 April 2012	1,124,468	302,131	8,094,613	410,866	5,364,125	7,410,218	22,706,421
Charge for the year	317,943	72,317	795,631	27,568	405,966	1,001,798	2,621,223
Disposals						145,358	145,358
At 31 March 2013	1,442,411	374,448	8,890,244	438,434	5,770,091	8,266,658	25,182,286
Charge for the year	-	105,847	684,958	23,733	338,203	1,107,343	2,260,086
Disposals						-	-
At 31 March 2014	1,442,411	480,296	9,575,202	462,167	6,108,294	9,374,001	27,442,372
Net Block							
At 31 March 2013	292,529	795,483	4,924,214	337,556	1,868,524	5,703,616	13,921,922
At 31 March 2014	292,529	1,084,660	4,239,256	313,823	1,530,321	11,806,773	19,267,361

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

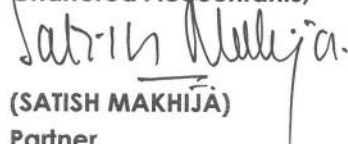
	Notes	<u>31 March 2014</u>	<u>31 March 2013</u>
Revenue from operations (Net)	11	296,918,377	290,030,273
Other income	12	1,750,819	203,963
Total Revenue		298,669,196	290,234,236
Expenses			
Employee benefits expense	13	257,455,846	246,437,667
Other expenses	14	36,604,536	37,038,701
Depreciation and amortisation expense	15	2,260,086	2,621,223
Finance costs	16	8,408	4,359
Total Expenses		296,328,876	286,101,950
Profit before tax		2,340,320	4,132,286
Tax expense:			
Current tax		803,896	1,358,854
Tax of earlier years (net)		865,955	2,053,173
Deferred tax charge / (credit)		-	(33,013)
		1,669,851	3,379,014
Profit for the period		670,469	753,272
Earnings per equity share - (Nominal value per share - Rs. 10) :			
Basic		33.52	37.66
Diluted		33.52	37.66
Summary of significant accounting policies	2		
The accompanying notes are integral part of the financial statements.			

Vide our report of even date,

For Satish & Ravi Associates

Firm Regn. No.007214S

Chartered Accountants,


(SATISH MAKHIJA)

Partner

M No. 204258

Place : Bangalore

Date : 8th May 2014



For and on behalf of the Board

For RAFTER TRADING PRIVATE LIMITED


Gautam Chakravarti
Director
Sumit Keshan
Director

RAFTER TRADING 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>
11 Revenue from operations		
Job work income	296,918,377	290,030,273
	296,918,377	290,030,273
12 Other Income		
Other non-operating income	1,750,819	170,703
Profit on sale of fixed assets	-	33,260
	1,750,819	203,963
13 Employee benefits expense		
Salaries, wages and bonus	218,232,930	207,173,009
Contribution to provident fund and other fund	25,165,352	23,950,172
Gratuity expense	3,033,866	4,214,714
Staff welfare expenses	11,023,698	11,099,772
	257,455,846	246,437,667
14 Other expenses		
Power and fuel	14,801,721	12,241,723
Job work charges	472,613	779,236
Other manufacturing expenses	4,166,592	5,285,589
Repairs and maintenance		
- Plant and machinery	1,702,294	4,670,971
- Buildings	1,610,283	712,468
- Others	1,050,798	780,097
Rent	7,699,063	7,421,849
Rates and taxes	123,906	358,690
Legal and professional charges	255,347	279,874
Printing and stationery	4,740	4,849
Communication costs	330	3,976
Travelling and conveyance	850,085	1,114,932
Payment to auditors	44,382	44,382
Other Miscellaneous expenses	3,822,382	3,340,065
	36,604,536	37,038,701
<u>Payment to auditor</u>		
As Auditor		
Audit fees	44,382	44,382
	44,382	44,382
15 Depreciation and amortisation expense		
Depreciation on tangible assets	2,260,086	2,621,223
	2,260,086	2,621,223
16 Finance costs		
Bank charges	8,408	4,359
	8,408	4,359

Notes to Account

17. Contingent liabilities

(Amount in Rs.)

Particulars	2014	2013
Claims against the Company not acknowledged as debts	751,190	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

18. 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 Statement of profit and loss and the funded status and amounts recognised in the balance sheet for the respective plans.

Net employee benefit expense (in Statement of Profit and Loss)

(Amount in Rs)

	2014	2013
Current Service Cost	2,396,035	4,160,531
Interest cost on benefit obligation	703,504	407,653
Expected Return on Plan Assets	(106,679)	(170,464)
Actuarial gain/(loss)	41,006	(183,006)
Net benefit expense	3,033,866	4,214,714

Details of Provision for gratuity (in Balance Sheet)

(Amount in Rs)

	2014	2013
Defined benefit obligation	10,003,853	8,468,663
Fair value of plan asset	1,102,050	1,575,859
Liability recognized in the balance sheet	(8,901,803)	(6,892,804)

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

(Amount in Rs)

	2014	2013
Opening defined benefit obligation – Current	1,102,597	151,409
Opening defined benefit obligation – Non current	7,366,066	5,663,186
Current Service Cost	2,396,035	4,160,531
Interest Cost	703,504	407,653
Benefits Paid	(1,509,602)	(1,746,703)
Actuarial (gain)/loss	(54,747)	(167,413)
Closing defined benefit obligation	10,003,853	8,468,663
Closing defined benefit obligation – Current	1,375,846	1,102,597
Closing defined benefit obligation – Non current	8,628,007	7,366,066

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

(Amount in Rs)

	2014	2013
Opening fair value of plan asset	1,575,859	2,871,793
Expected return	106,679	170,464
Actuarial gain/(loss)	(95,753)	15,593
Contributions (less risk premium, service tax)	-	-
Benefits Paid	(484,735)	(1,481,991)
Contribution for Benefits settled directly by company	1,024,867	264,712
Benefits settled directly by company	(1,024,867)	(264,712)
Closing fair value of plan asset	1,102,050	1,575,859

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%	8.00%
Attrition Rate	40.00%	40.00%
Rate of escalation in Salary per annum	20.00%	5.00%
Retirement Age	60	60

The Company expects to contribute Rs.8,900,000 to gratuity 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

Notes:

- 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.

19. 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	296,918,377 (290,030,273)	14,840,781 (19,411,474)
Outside India		
Total	296,918,377 (290,030,273)	14,840,781 (19,411,474)

Note:

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

20. 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 Madhin Trading Private Limited Magenta Trading Private Limited All Colour Garments 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	285,226,204 (290,030,273)			285,226,204 (290,030,273)
Balances outstanding as at March 31, 2014				
-- Credit balances				
-- Debit balances	12,277,036 (19,411,473)			12,277,036 (19,411,474)

Figures in brackets relate to previous year.

21. 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.

22. Earnings per share

(Amount in Rs)

Particulars	2014	2013
Net profit for the year as per Statement of profit and loss before exceptional items	670,469	753,274
Net profit for the year as per Statement of profit and loss after exceptional items	670,469	753,274
Weighted average number of equity shares (Nos.)	20,000	20,000
Nominal value per share	10	10
Earnings per share – Basic and diluted	33.52	37.66
Before exceptional items		
After exceptional items		

23. 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	-	-	-
Total	-		-

24. Remuneration to directors

(Amount in Rs)

Particulars	2014	2013
Salaries	Nil	Nil

25. CIF value of imports

Current Year : Nil Previous Period : Nil

26. Expenditure in foreign currency on accrual basis

Current Year : Nil Previous Period : Nil

27. 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				

28. Earnings in foreign currency

Current Year : Nil Previous Period : Nil

29. 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.
30. Previous year's figures have been regrouped/rearranged/reclassified, wherever necessary to conform to the current year's presentation.

Signatures to schedules 1 to 30

For and on behalf of the Board



Gautam Chakravarti
Director



Sumit Keshan
Director
Place : Bangalore
Dated: May 8, 2014

For Satish & Ravi Associates

Firm Regn. No.007214S

Chartered Accountants



(SATISH MAKHIYA)

(Partner)

M.N.204258



RAFTER TRADING 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	2,340,320	4,132,286
Loss before tax	2,340,320	4,132,286
Non-cash adjustment to reconcile profit before tax to net cash flow		
Depreciation/amortization on continuing operations	2,260,086	2,621,223
(Profit)/Loss on sale of assets (net)	-	(33,260)
Interest earned	(1,750,819)	(14,111)
Operating Profit before working capital changes	2,849,587	6,706,138
Movements in Working Capital :		
(Increase)/Decrease in trade receivables	4,570,693	(8,306,476)
(Increase)/Decrease in non current loans and advances	(239,090)	136,082
(Increase)/Decrease in current loans and advances	(173,640)	447,121
Increase/(Decrease) in trade payables	(741,940)	(884,068)
Increase/(Decrease) in other current liabilities	(3,151,911)	4,775,112
Increase/(Decrease) in long term provisions	1,735,750	(1,530,821)
Increase/(Decrease) in short term provisions	1,720,150	3,950,518
Cash Generated from / (used in) Operations	6,569,599	5,293,607
Direct taxes paid (net of refunds)	578,895	(4,971,325)
Net Cash Flow from Operating Activities	7,148,494	322,281
Loss of inventory due to fire at godown (extraordinary item)	-	-
Net Cash Flow from / (used in) Operating Activities	7,148,494	322,281
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Interest received	1,750,819	14,111
Purchase of Fixed Assets	(7,605,525)	(930,800)
Proceeds from Sale of Fixed Assets	-	98,800
Net Cash Flow from / (used in) Investing Activities	(5,854,706)	(817,889)
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)	1,293,788	(495,608)
E. Opening Balance of Cash & Cash Equivalents	387,200	882,809
F. Closing Balance of Cash & Cash Equivalents	1,680,988	387,200
Components of Cash and Cash Equivalents		
Cash on hand	324,098	135,243
Bank Balances with Scheduled Banks:		
-- in Current Accounts	1,356,890	251,957
	1,680,988	387,200
	1,680,988	387,200

Vide our report of even date,
For Satish & Ravi Associates

Firm Regn. No.007214S

Chartered Accountants, --

Satish Makhiya

(SATISH MAKHIJA)

Partner

M No. 204258

Place : Bangalore

Date : 8th May 2014



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

Gautam Chakravarti

Gautam Chakravarti
Director

Sumit Keshan

Sumit Keshan
Director