

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

	Notes	31 March 2014	31 March 2013
<u>EQUITY AND LIABILITIES</u>			
Shareholder's funds			
Share Capital	3	200,000	200,000
Reserves and Surplus	4	9,474,503	8,782,419
		9,674,503	8,982,419
Non- current liabilities			
Long-term Provisions	5	8,077,117	6,914,793
		8,077,117	6,914,793
Current Liabilities			
Trade payables	6	385,712	3,734,644
Other current liabilities	6	39,252,468	43,641,222
Short term provisions	5	5,393,271	4,664,339
		45,031,451	52,040,205
TOTAL		62,783,071	67,937,417
<u>ASSETS</u>			
Non-current assets			
Fixed assets	7		
Tangible assets		14,848,753	17,274,389
Intangible assets		-	-
Capital work-in-progress		-	-
		14,848,753	17,274,389
Non-current investments	8	400	400
Long-term loans and advances	9	43,390,606	48,817,963
		58,239,759	66,092,752
Current assets			
Trade receivables	10	162,585	141,186
Cash and Cash equivalents	11	4,120,706	1,136,794
Short-term loans and advances	9	260,021	566,685
		4,543,312	1,844,665
TOTAL		62,783,071	67,937,417

Summary of significant accounting policies 2

The accompanying notes are integral part of the financial statements.

As per our report of even date

For GIRISH MURTHY & KUMAR

Firm Regn. No: 000934S

Chartered Accountants


GIRISH RAO.B

Partner.

M.No. 85745

Place : Bangalore

Date : 8th May, 2014



For RISHIKESH APPARELS PRIVATE LIMITED


Gautam Chakravarti

Director


Sumit Keshan

Director

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

Equity shares of Rs.10 each fully paid	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.



RISHIKESH APPARELS PRIVATE LIMITED**Notes to financial statements for the year ended 31 March 2014****4 Reserves and Surplus****Capital Reserves**

Balance as per last account

31 March 2014 **31 March 2013**

5,398 5,398

Securities Premium Reserve

Balance as per last account

6,583,000 6,583,000

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

Balance as per last financial statements

2,194,021 1,440,334

Profit / (loss) for the year

692,084 753,687

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

2,886,105 2,194,021

Total Reserves and Surplus**9,474,503** **8,782,419****5 Provisions**

Provision for employee benefits

Provision for gratuity

Provision for leave benefits

Long Term		Short term	
31 March 2014	31 March 2013	31 March 2014	31 March 2013

8,077,117 6,914,793 1,438,265 1,056,931

- - 3,955,006 3,607,408

8,077,117 **6,914,793** **5,393,271** **4,664,339****6 Trade payables and Other Current Liabilities****Trade Payables**

to Micro and Small Enterprises

to Others

31 March 2014 **31 March 2013**

385,712 3,734,644

385,712 3,734,644

Other current liabilities

Employees benefit payable

22,826,568 29,696,202

Other expenses payable

5,305,359 5,581,602

Book Overdraft

147,552 467,576

Due to Holding Company

7,696,714 2,289,347

Due to fellow subsidiaries

- 1,016,689

ESI payable

874,418 1,278,932

Provident fund payable

2,223,912 2,984,453

TDS payable

139,991 265,246

Professional tax payable

29,830 52,930

VAT & CST payable

- 50

Service tax payable

8,124 8,195

39,252,468 43,641,222

Total Trade payables and other current liabilities**39,638,180** **47,375,866****8 Non-current investments****Non Trade investments [valued at cost unless stated otherwise]**

Investment in Government Securities (unquoted)

Indira Vikas Patra

31 March 2014 **31 March 2013**

400 400

400 **400**

RISHIKESH APPARELS PRIVATE

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	Vehicle	Total
Cost or valuation								
At 1 April 2012	4,130,274	571,846	18,377,558	136,704	6,154,483	24,017,802	43	53,388,710
Additions		545,021				78,318		623,339
Other adjustments								
Disposals	4,130,274	1,116,867	18,377,558	136,704	6,154,483	24,096,120	43	54,012,049
At 31 March 2013	4,130,274	1,116,867	18,377,558	136,704	6,154,483	1,897,634		1,897,634
Additions		-				22,198,486	43	52,114,415
Other adjustments								-
Disposals	4,130,274	1,116,867	18,377,558	136,704	6,154,483	22,198,486	43	52,114,415
At 31 March 2014	4,130,274	1,116,867	18,377,558	136,704	6,154,483	22,198,486	43	52,114,415
Depreciation								
At 1 April 2012	2,835,063	571,846	10,983,683	105,067	4,140,267	13,899,906	38	32,535,870
Charge for the year	606,260	13,626	1,023,036	9,853	364,573	1,439,476	1	3,456,825
Disposals						1,152,668		1,152,668
At 31 March 2013	3,441,323	585,472	12,006,719	114,920	4,504,840	14,186,714	39	34,840,027
Charge for the year	68,895	54,502	880,731	8,482	298,585	1,114,438	1	2,425,635
Disposals								-
At 31 March 2014	3,510,218	639,974	12,887,450	123,402	4,803,425	15,301,152	40	37,265,662
Net Block								
At 31 March 2013	688,951	531,395	6,370,839	21,784	1,649,643	8,011,772	4	17,274,389
At 31 March 2014	620,056	476,893	5,490,108	13,302	1,351,058	6,897,334	3	14,848,753



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

(unsecured, considered good)

	Non-current		Current	
	31 March 2014	31 March 2013	31 March 2014	31 March 2013
Security deposits (net of provisions)	20,411,627	20,045,717	-	-
Advances recoverable in cash / kind	-	-	-	147,019
Advance Tax net of provisions	22,873,979	28,772,247	-	-
Prepaid expenses	105,000	-	95,599	316,166
Loans and advances to employees	-	-	164,422	103,500
	43,390,606	48,817,964	260,021	566,685

10 Trade Receivables

(unsecured, considered good)

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

	Current	
	31 March 2014	31 March 2013
	-	-
	162,585	141,186
	162,585	141,186

11 Cash and bank balancesCash and cash equivalents

Balance with banks :

-- in Current accounts

Cash on hand

	Current	
	31 March 2014	31 March 2013
	3,977,136	1,021,350
	143,570	115,444
	4,120,706	1,136,794



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

	Notes	31 March 2014	31 March 2013
Revenue from operations (Gross)	12	281,353,733	314,634,024
Other income	13	2,555,249	13,473,581
Total Revenue		283,908,982	328,107,605
Expenses			
Employee benefits expense	14	223,726,390	262,634,115
Other expenses	15	55,572,920	62,083,403
Depreciation and amortisation expense	16	2,425,635	3,456,825
Finance costs	17	26,567	12,668
Total Expenses		281,751,512	328,187,011
Profit / (Loss) before tax		2,157,470	(79,406)
Tax expense:			
Current tax		629,962	-
Tax of earlier years (net)		835,424	(833,093)
		1,465,386	(833,093)
Profit / (Loss) for the period		692,084	753,687
Earnings per equity share - (Nominal value per share - Rs. 10) :			
Basic		34.60	37.68
Diluted		34.60	37.68

Summary of significant accounting policies 2

The accompanying notes are integral part of the financial statements.

As per our report of even date**For GIRISH MURTHY & KUMAR**

Firm Regn. No: 000934S

Chartered Accountants

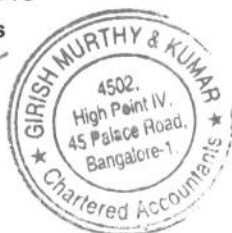

GIRISH RAO.B

Partner.

M.No. 85745

Place : Bangalore

Date : 8th May, 2014

**For RISHIKESH APPARELS PRIVATE LIMITED**

Gautam Chakravarti

Director


Sumit Keshan

Director

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

	<u>31 March 2014</u>	<u>31 March 2013</u>
12 Revenue from operations		
Contract Receipts	281,353,733	314,634,024
	281,353,733	314,634,024
13 Other Income		
Other non-operating income	2,555,249	13,178,546
Profit on sale of fixed assets	-	295,035
	2,555,249	13,473,581
14 Employee benefits expense		
Salaries, wages and bonus	189,210,853	223,731,893
Contribution to provident fund and other fund	20,785,303	25,046,872
Gratuity expense	5,076,662	4,456,333
Staff welfare expenses	8,653,572	9,399,017
	223,726,390	262,634,115
15 Other expenses		
Power and fuel	14,339,179	17,315,208
Job work charges	1,824,859	2,115,878
Manufacturing Expenses - Water Expenses	7,249,247	11,864,207
Other manufacturing expenses	451,045	555,977
Security Expenses	4,797,900	3,761,704
Repairs and maintenance		
- Plant and machinery	930,986	1,769,427
- Buildings	381,784	567,728
- Others	629,932	1,359,048
Rent	23,717,796	21,541,140
Rates and taxes	250,066	336,868
Payment to auditors	55,067	55,067
Bad debts written off	141,186	-
Other Miscellaneous expenses	803,873	841,151
	55,572,920	62,083,403
<u>Payment to auditor</u>		
As Auditor		
Audit fees	55,067	55,067
Taxation matters		
	55,067	55,067
16 Depreciation and amortisation expense		
Depreciation on tangible assets	2,425,635	3,456,825
	2,425,635	3,456,825
17 Finance costs		
Bank charges	26,567	12,316
Interest on others	-	352
	26,567	12,668



Notes to Accounts

18. Contingent liabilities

(Amount in Rs.)

Particulars	2014	2013
Claims against the Company not acknowledged as debts	9,450,186	8,817,649
Guarantees given by banks	Nil	Nil
Outstanding letters of credit	Nil	Nil
Export Bills discounted with banks	Nil	Nil
Estimated amount of contracts remaining to be executed on capital accounts and not provided for (net of advances)	Nil	Nil

19. Gratuity

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

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

Net employee benefit expense (in Profit and Loss Account)

(Amount in Rs)

	2014	2013
Current Service Cost	3,112,832	4,058,604
Interest cost on benefit obligation	599,353	469,209
Expected Return on Plan Assets	(29,330)	(104,390)
Actuarial gain/(loss)	1,393,662	(32,910)
Net benefit expense	5,076,662	4,456,333

Details of Provision for gratuity (in Balance Sheet)

(Amount in Rs)

	2014	2013
Defined benefit obligation	9,501,647	8,730,327
Fair value of plan asset	(13,735)	758,603
Liability recognized in the balance sheet	(9,515,382)	(7,971,724)

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

(Amount in Rs)

	2014	2013
Opening defined benefit obligation - Current	1,056,931	120,895
Opening defined benefit obligation - Non current	7,673,396	6,994,023
Opening defined benefit obligation Total	8,730,327	7,114,918
Current Service Cost	3,112,832	4,058,604
Interest Cost	599,353	469,209
Benefits Paid	(4,316,952)	(2,855,063)
Actuarial (gain)/loss	1,376,087	(57,341)
Closing defined benefit obligation Total	9,501,647	8,730,327
Closing defined benefit obligation	1,438,265	1,056,931
Closing defined benefit obligation	8,063,382	7,673,396



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

	(Amount in Rs)	
	2014	2013
Opening fair value of plan asset	758,603	1,865,288
Expected return	29,330	104,390
Actuarial gain/(loss)	(17,721)	(90,251)
Contributions (less risk premium, service tax)	0	0
Benefits Paid	(783,947)	(1,120,823)
Contribution for Benefits settled directly by company	3,533,005	1,734,240
Benefits settled directly by company	(3,533,005)	(1,734,240)
Closing fair value of plan asset	(13,735)	758,603

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%	40%
Rate of escalation in Salary per annum	20%	5%
Retirement Age	60	60

The Company expects to contribute Rs.9,600,000 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.

20. Segment information

a) Primary business segment

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

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

(Amount in Rs)		
Geographical Segment	Revenues	Carrying amount of segment assets (Debtors)
In India	281,353,733 (314,634,024)	162,585 (141,186)
Outside India		
Total	281,353,733 (314,634,024)	162,585 (141,186)

Note:

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



21. Related party disclosures

A. Names of related parties and description of relationship:

Ref	Description of Relationship	Names of related parties
a.	<i>Parties where control exists:</i>	
(i)	Immediate Holding Company	Gokaldas Exports Limited
(ii)	Fellow Subsidiaries	Deejay Trading Private Limited Glamourwear Apparels Private Limited Madhin Trading Private Limited Magenta Trading Private Limited Rafter Trading Private Limited Rajdin Apparels Private Limited Reflexion Trading Private Limited All colour Garments 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: (Amount in Rs)

Nature of transactions	Holding Company	Fellow Subsidiaries	Others	Total
	A(a)	A(b)	A(c)	
Income				
Job work charges	269,081,864 (314,634,024)			269,081,864 (314,634,024)
Balances outstanding as at March 31, 2014				
-- Credit balances	7,696,714 (2,289,347)	Nil (1,016,689)		7,696,714 (3,306,036)
-- Debit balances	0 (0)	0 (0)	0 (0)	0 (0)

Figures in brackets relate to previous year.

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

	2014	2013
Credit Balances		
Seven Hills Clothing Private Limited	-	251,000
Deejay Trading Private Limited	-	765,689



22. Leasing Arrangements:

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

23. Earnings per share

Particulars	(Amount in Rs)	
	2014	2013
Net profit for the year as per profit and loss account before exceptional items	692,084	753,687
Net profit for the year as per profit and loss account after exceptional items	692,084	753,687
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	34.60	37.68
After exceptional items		

24. Deferred taxes – Components Assets / (Liability)

Particulars	(Amount in Rs)		
	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	-	-	-

25. Remuneration to directors

Particulars	(Amount in Rs)	
	2014	2013
Salaries	Nil	Nil

26. CIF value of imports

Current Year : Nil Previous Period : Nil

27. Expenditure in foreign currency on accrual basis

Current Year : Nil Previous Period : Nil



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

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

29. Earnings in foreign currency


Current Year : Nil Previous Period : Nil

30. Based on the information available with the company, there are no suppliers who are registered as micro, small or medium enterprises under the Micro, Small or Medium Enterprises Development Act 2006.

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

Signatures to schedules 1 to 31

For and on behalf of the Board As per our report of even date



Gautam Chakravarti
Director



Sumit Keshan
Director

Bangalore:
Dated: May 8th, 2014

For Girish Murthy & Kumar
Firm Regn. No.000934S
Chartered Accountants



Girish Rao.B
(Partner)

(Membership No.85745)



RISHIKESH APPARELS PRIVATE LIMITED

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

PARTICULARS	2014	2013
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before tax from continuing operations	2,157,470	(79,406)
Loss before tax	2,157,470	(79,406)
Non-cash adjustment to reconcile profit before tax to net cash flow		
Depreciation/amortization on continuing operations	2,425,635	3,456,825
(Profit)/Loss on sale of assets (net)	-	(295,035)
Interest expense	-	(352)
Interest earned	-	(4,900)
Operating Profit before working capital changes	4,583,105	3,077,132
(Increase)/Decrease in trade receivables	(21,399)	13,730
(Increase)/Decrease in non current loans and advances	(470,910)	(128,942)
(Increase)/Decrease in current loans and advances	306,664	299,627
Increase/(Decrease) in trade payables	(3,348,932)	2,393,325
Increase/(Decrease) in other current liabilities	(4,388,754)	(2,713,485)
Increase/(Decrease) in long term provisions	1,162,324	(1,370,650)
Increase/(Decrease) in short term provisions	728,932	4,199,299
Cash Generated from /(used in) Operations	(1,448,970)	5,770,036
Direct taxes paid (net of refunds)	4,432,882	(6,372,111)
Net Cash Flow from Operating Activities	2,983,912	(602,075)
Net Cash Flow from/(used in) Operating Activities	2,983,912	(602,075)
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Interest received	-	4,900
Purchase of Fixed Assets	-	(623,339)
Proceeds from Sale of Fixed Assets	-	1,040,000
Net Cash Flow from / (used in) Investing Activities	-	421,561
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Interest paid	-	352
Net Cash Flow from / (used in) Financing Activities	-	352
D. Net Increase / (Decrease) in Cash & Cash Equivalents (A+B+C)	2,983,912	(180,162)
E. Opening Balance of Cash & Cash Equivalents	1,136,794	1,316,955
F. Closing Balance of Cash & Cash Equivalents	4,120,706	1,136,793
Components of Cash and Cash Equivalents		
Cash on hand	143,570	115,444
Bank Balances with Scheduled Banks:		
-- in Current Accounts	3,977,136	1,021,350
	4,120,706	1,136,794
	4,120,706	1,136,794

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



Gautam Chakravarti

Director

Place : Bangalore

Date : 8th May, 2014



Sumit Keshan

Director

As per our report of even date
For GIRISH MURTHY & KUMAR

Firm Regn. No: 000934S

Chartered Accountants



GIRISH RAO.B

Partner

M.No. 85745

