



INDEPENDENT AUDITOR'S REPORT

To
The Members of
Apollo Design Apparel Parks Ltd.
Mumbai-400011

Report on the Financial Statements

We have audited the accompanying financial statements of Apollo Design Apparel Parks Ltd. ("the Company"), which comprise the Balance Sheet as at 31st March 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the Preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit

procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its profit and its cash flows for the year ended on that date.

(a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2016;

(b) In the case of the Profit and Loss Account, of the profit for the year ended on that date; and

(c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matters

We draw attention to the following matters in the Notes to the financial statements:

a) Note 17 to the financial statements which, describes the non compliance of the provisions of Section 135 of the Companies Act, 2013. The company has not incurred any expenditure on Corporate Social Responsibility which amounts to Rs. 19,39,256/- for the current financial year. Further the provision for CSR expenditure of Rs. 17,38,316/- made in the previous year is reversed during the current year and shown as prior period income.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order), issued by the Central Government of India in terms of sub section (11) of section 143 of the Companies Act 2013, we given in the Annexure – I a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.
2. As required u/s 143(5) report on the sub-direction issued by the controller and Auditor General of India u/s 143(5) of the companies Act is enclosed as per Annexure – II & III
3. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.



- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) As per Companies Act 2013 the provision of section 164(2) is not applicable on Government Companies.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure IV".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements. (Refer sub point (2) of Note 21)
 - ii. The Company has not made any provision, as required under the applicable law or accounting standards, for material foreseeable losses, as company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. The Company has not made any deposits in the Investor Education and Protection Fund as there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For M D GUJRATI & CO.

Chartered Accountants

FRN : 005301N


(R.K. Agarwal)
Partner



Membership No. 076984

Place of Signature: *New Delhi*

Date *6/05/2016*

The annexure referred to in the auditor's report to the member of Apollo Design Apparel Parks Ltd. (the company) for the year ended March 31, 2016. We report that:

1. (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management at reasonable intervals. As informed, no material discrepancies between book records and the physical inventories have been noticed on such verification.
- (c) We have inspected the executed lease deed; however we found that the registration of lease deed is pending as on the date of this report. The Property description is given below:-

Particulars	Area (In sq meter)	Gross Block (In Rs)	Net Block (In Rs)	Remarks
Land situated at Apollo Textile Mills, N.M Joshi Marg, Mumbai	18067.37	6,78,15,950/-	5,51,85,306/-	Company reporting this as a leasehold rights

2. The inventories have been physically verified at reasonable intervals during the year by the management. The procedure of physical verification of inventories followed by the management is reasonable and adequate in relation to the size of the company and the nature of its business. On the basis of our examination of the records of inventory, we are of the opinion that the company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and book records were not material and have been properly dealt with in books of accounts.
3. The company has not granted any loans, secured or unsecured to companies, firms, or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.

Thus, further sub-clauses of clause (iii) of Companies (Auditor's Report) Order 2016 will not applicable to the company.
4. As per information and explanation given to us, no loan, investment, guarantees, and security has been given by the company under Sections 185 and 186 of the Companies Act, 2013.
5. The company has not accepted any deposits from public.
6. The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act, for any of the activity carried by the company.
7. (a) According to information and explanations given to us, 'the company' is regular in depositing with appropriate authorities undisputed statutory dues, including provident fund, employees state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, value added tax, and other statutory dues to the extent applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2016, for a period of more than six months from the date of becoming payable.



(b) The dues on account on sales tax, income tax, excise duty, service tax, custom duty, value added tax and cess disputed by the company and not being paid, vis-à-vis forums where such disputes are pending are mentioned below:-

Name of the Statute	Nature of dues	Period	Amount (In Rupees)	Forum where Pending
Income Tax Act, 1961	Income Tax	2008-09	11,12,83,250/-	CIT(A)
		2012-13	21,45,283/-	Assessing officer
		2011-12	3,32,247/-	Assessing officer

8. As per information and explanation provided to us, the company does not have any loan or borrowings from a financial institutions, bank, government or dues to debenture holder.
9. As per information and explanation given by the company, no money is raised by way of initial public offer or further public offer and term loans. Accordingly, the provisions of Clause (ix) of Companies (Auditor's Report) Order 2016 are not applicable on the company.
10. During the course of examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practice in India and according to the information and explanation given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.
11. Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that Clause (xi) of Companies (Auditor's Report) Order 2016 is not applicable to the company.
12. The provision of Clause (xii) of Companies (Auditor's Report) Order 2016 is not applicable to the company.
13. The company has disclosed in financial statements, all transactions with the related parties which are in compliance with Sections 177 and 188 of the Companies Act, 2013.
14. Based on our audit procedures and as per the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares, thus further the provisions of Clause (xiv) of Companies (Auditor's Report) Order 2016 is not applicable on the company.
15. The company has not entered in to any non-cash transaction with directors or persons connected with him during the year.
16. The company was not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

FOR M D GUJRATI & CO.
Chartered Accountants
FRN: 005301N



R K Agarwal
Partner
Membership No. 076984

Date: 6/05/2016
Place: N. Delhi

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Apollo Design Apparel Parks Ltd (“the Company”) as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on, the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit conducted in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (“Guidance Note”) and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the



Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India and others controls as required by the other laws and Acts as applicable to the Company.

Date: 6/05/2016

Place: N. Delhi

M D GUJRATI & CO.

Chartered Accountants

FRN: 005301N



R K Agrawal

Partner

Membership No. 076984

APOLLO DESIGN APPAREL PARKS LIMITED

Balance Sheet as at March 31, 2016

Amount in ₹

Particulars	Note	As at March 31, 2016	As at March 31, 2015
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	56,500,000	56,500,000
Reserves and surplus	3	946,950,474	907,818,408
		1,003,450,474	964,318,408
Non-current liabilities			
Deferred tax liabilities (net)	4	7,865,477	7,286,995
Long-term provisions	5	2,122,609	905,596
		9,988,086	8,192,591
Current liabilities			
Trade payables	6	76,893,605	90,492,887
Other current liabilities	7	1,949,812	1,639,164
Short-term provisions	8	36,627,904	38,168,962
		115,471,321	130,301,013
TOTAL		1,128,909,881	1,102,812,012
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	9.a	67,588,460	70,705,825
Intangible assets	9.b	114,651	30,117
Long-term loans and advances	10	6,591,560	6,526,560
		74,294,671	77,262,502
Current assets			
Inventories	11	45,616,013	37,457,614
Trade receivables	12	962,129,392	971,943,766
Cash and cash equivalents	13	45,560,387	11,881,100
Short-term loans and advances	14	743,837	3,676,898
Other current assets	15	565,581	590,132
		1,054,615,210	1,025,549,510
TOTAL		1,128,909,881	1,102,812,012
Significant Accounting Policies	1		
Notes to Financial Statements	21		

As per our report even date

For M.D. Gujrati & Co.

Chartered Accountants

FRN : 005301N

R.K.Agrawal

Partner

Membership No : 076984

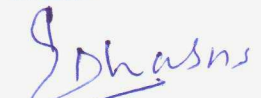
Place : New Delhi

Date : May 6, 2016

For and on behalf of the Board of Directors


Anil Cherian
Director


P.K.Jain
Director


Mahendra Singh Dhabria
Chief Executive Officer

Place : New Delhi

Date : May 6, 2016



APOLLO DESIGN APPAREL PARKS LIMITED

Statement of Profit and Loss for the year ended March 31, 2016

Amount in ₹

Particulars	Note	Year ended March 31, 2016	Year ended March 31, 2015
Income			
Revenue from operations	16	3,128,894,027	2,572,259,673
Other income	17	3,789,897	21,505,757
Total revenue		3,132,683,924	2,593,765,430
Expenses			
Cost of materials consumed	18.a	258,063,851	174,614,427
Purchases of stock-in-trade	18.b	2,713,634,895	2,261,887,663
Changes in inventories of finished goods, Work-in-progress and stock-in-trade	18.c	(12,228,096)	(2,808,617)
Employee benefits expenses	19	39,036,014	31,403,012
Depreciation and amortisation expenses	9 a&b	3,705,173	3,753,567
Other expenses	20	17,111,763	14,039,312
Total expenses		3,019,323,600	2,482,889,364
Profit before exceptional and extraordinary items and tax		113,360,324	110,876,066
Exceptional items		-	-
Profit before extraordinary items and tax		113,360,324	110,876,066
Extraordinary items			
Prior Period items :			
CSR expenses reversal		1,738,316	-
Tax adjustments for earlier years		(332,247)	(196,409)
Profit before tax		114,766,393	110,679,657
Tax expense:			
Current tax		41,054,830	37,638,436
Deferred tax		578,481	929,469
Total tax expense		41,633,311	38,567,905
Profit after tax		73,133,082	72,111,752
Earnings per share (Face value of ₹ 10/-):			
Basic (in ₹)		12.94	12.76
Diluted (in ₹)		12.94	12.76
Significant Accounting Polices	1		
Notes to Financial Statements	21		

As per our report even date

For M.D. Gujrati & Co.

Chartered Accountants

FRN : 005301N

R.K. Agrawal

Partner

Membership No : 076984


Place : New Delhi

Date : May 6, 2016

For and on behalf of the Board of Directors


Anil Cherian
Director


P.K. Jain
Director



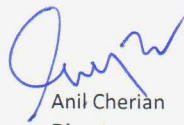

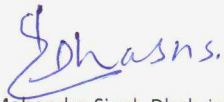


Mahendra Singh Dhabria
Chief Executive Officer



Place : New Delhi

Date : May 6, 2016

APOLLO DESIGN APPAREL PARKS LIMITED
Cash Flows Statement for the year ended March 31, 2016
Amount in ₹

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
A. Cash flow from operating activities		
Profit before exceptional and extraordinary items and tax	113,360,324	110,876,066
<u>Adjustments for:</u>		
Interest income	(3,761,278)	(21,505,080)
Depreciation and amortisation	3,705,173	3,753,567
(Profit) / loss on sale / write off of assets	-	(677)
Operating profit / (loss) before working capital changes	113,304,219	93,123,876
<u>Changes in working capital:</u>		
Inventories	(8,158,398)	(7,165,549)
Trade receivables	9,814,374	(460,511,453)
Loans and advances	2,868,060	(2,761,793)
Other current assets	24,551	5,009,924
Provisions	(324,044)	(6,044,151)
Trade & Other payables	(13,288,634)	66,805,925
Cash generated from operations	104,240,128	(311,543,221)
Net income tax (paid) / refunds	(41,054,830)	(37,638,436)
Cash flow before extraordinary items	63,185,298	(349,181,657)
Net prior period adjustment	1,406,069	(196,409)
Net cash flow from / (used in) operating activities (A)	64,591,367	(349,378,066)
B. Cash flow from investing activities		
Capital expenditure on fixed assets, including capital advances	(672,342)	(561,929)
(Increase)/Decrease in Capital work-in-progress	-	210,419
Proceeds from sale of fixed assets	-	21,505,080
Interest received	3,761,278	360,000,000
Realisation / (Deposit) of Inter corporate deposit (net)	-	-
Net cash flow from / (used in) investing activities (B)	3,088,936	381,153,570
C. Cash flow from financing activities		
Dividend paid (Including Dividend Distribution Tax)	(34,001,016)	(29,549,571)
Net cash flow from / (used in) financing activities (C)	(34,001,016)	(29,549,571)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	33,679,287	2,225,933
Cash and cash equivalents at the beginning of the year	11,881,100	9,655,167
Cash and cash equivalents at the end of the year	45,560,387	11,881,100
Cash and cash equivalents at the end of the year *	45,560,387	11,881,100
* Comprises:		
Cash on hand	16,229	17,829
Balances with banks		
(i) In current accounts	5,544,158	363,271
(ii) In deposit accounts with original maturity of less than 3 months	40,000,000	11,500,000
Significant Accounting Policies	1	
Notes to Financial Statements	21	
As per our report of even date		
For M.D. Gujrati & Co. Chartered Accountants FRN : 005301N		
 R.K. Agrawal Partner Membership No : 076984		
		
Place : New Delhi Date : May 6, 2016		
For and on behalf of the Board of Directors		
 Anil Cherian Director		
 P.K. Jain Director		
 Mahendra Singh Dhabria Chief Executive Officer		
		
Place : New Delhi Date : May 6, 2016		

APOLLO DESIGN APPAREL PARKS LIMITED

Note -1 SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDED MARCH 31, 2016

I. BACKGROUND

Apollo Design Apparel Parks Limited (referred as "the Company") have been incorporated in India on November 12, 2007 with the objective to carry on the business of owning, operating and running the textile mill and any other manufacturing business within the textile sector. The Company is incorporated as a Special Purpose Vehicle (SPV) under the provisions of the Companies Act, 1956 wherein 51% shares are held by National Textile Corporation Limited (NTC) (Holding Company) which will act as a Joint Venture Company between National Textile Corporation Limited and Future Retail Limited (Formerly Known as Pantaloon Retail (India) Ltd.) and SBPL Infrastructure Ltd and Sri Navadurga Textile Processors Pvt. Ltd. (collectively called as 'Strategic Partners').

The accompanying Financial Statements reflect the results of the activities undertaken by the Company during the year March 31, 2016.

II. SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

- i) The Financial Statements which have been prepared under the historical cost convention on the accrual basis of accounting are in accordance with the applicable requirements of the Companies Act, 2013 ("the Act") and comply in all material aspects with the Accounting Standards prescribed by the Central Government, in accordance with the Companies (Accounting Standards) Rules, 2006.
- ii) The accounts are prepared on the basis of going concern concept, with revenue recognized and expenses accounted for on their accrual.
- iii) All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current, non-current classification of assets and liabilities.

2. USE OF ESTIMATES

The preparation of Financial Statements require estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of Financial Statements and the reported amount of revenues and expenses during the reporting period. Difference between the



actual results and the estimates are recognized in the period in which results are known/materialized.

3. FIXED ASSETS

Fixed assets in the nature of tangible assets are stated at historical cost net of accumulated depreciation. Historical cost is determined net of Excise, VAT and Custom duty where CENVAT credit on capital goods is availed, except Fixed Assets transferred by National Textile Corporation Limited at the time of incorporation of the Company which are stated at net book values pursuant to Undertaking Transfer Agreement. Cost includes freight and insurance, duties and taxes, installation and commissioning charges and other charges till the date of commissioning. In case of imported tangible asset, it includes, in addition to above, other charges payable as per foreign exchange contract.

4. INTANGIBLE ASSETS

Intangible assets are recognized, where it is probable that the future economic benefits attributable to the asset will flow to the Company and the cost of the asset can be reliably measured. Intangible asset are stated at cost of acquisition less accumulated amortization. Intangible does not include any software which is integral part of the related hardware.

5. DEPRECIATION & AMORTISATION

- i) Depreciation on tangible assets has been provided pro-rata on straight line method and as per the useful lives of the assets specified in Part C of Schedule II of the Companies Act, 2013 in accordance with notification no. F No.17/60/2012-CL.V dated 29-8-2014 which is effective from April 1, 2014 issued by the Ministry of Corporate Affairs, Government of India.
- ii) Premium and other cost including stamp duty paid on leasehold land/properties is amortized over the initial lease period.
- iii) In case of tangible assets transferred from holding company pursuant to Undertaking Transfer Agreement, depreciation is calculated on gross block value of the assets at the time of transfer considering the balance life of the individual asset.
- iv) Intangible assets are amortized on equated basis over their estimated useful lives but normally over a period of 5 (five) years and for intangible assets having more life, the periodicity may be decided after seeking approval from the Board.

6. INVENTORY VALUATION

Inventories are valued as follows:

- i) Stores, Spare parts and Packing material : At the lower of cost or net realizable value



- ii) Raw material and Stitching material : At the lower of cost or net realizable value
- iii) Stock-in-trade : At the lower of cost or net realizable value
- iv) Finished goods, Scrap : At the lower of cost or net realizable value

Cost including excise duty or net realizable value whichever is lower. The cost is determined by reducing from the sale value appropriate percentage of gross margin. Net realizable value is determined after appropriate discounts for damages, cut pieces, age of stock, market forces, if any.

- v) Stock in Process at direct cost and an appropriate portion of overheads

Cost of inventories comprises all costs of purchase and other costs incurred in bringing the inventories to their present condition and location.

The net realizable value mentioned above means the net realizable value prevalent on the close of the financial year. Wherever, the net realizable value is not available, cost is adopted.

7. INVESTMENTS

- i) Long Term (Non-current) investments are stated at the cost of acquisition. However, provision for diminution is made to recognize a decline, other than temporary, in the value of long term investments.
- ii) Current investments are stated at the lower of cost or fair market value.

8. EMPLOYEE BENEFITS

(a) Short term employee benefits

Short Term Employee Benefits are recognized as an expense on an undiscounted basis in the Statement of Profit and Loss of the year in which the related service is rendered.

(b) Post employment benefits

(i) Defined contribution plan

Contributions to provident fund are deposited with the appropriate authorities and charged to the Statement of Profit and Loss on accrual basis.

(ii) Defined benefit plan

The Company provides for retirement benefits in the form of Gratuity. The Company's gratuity plan is a defined benefit plan. The present value of gratuity obligation under such defined plan is determined based on an actuarial valuation as at the year-end carried out by an independent actuary using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build



up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under the defined benefit plans, is based on the market yields on Government securities as at the valuation date having maturity periods approximating to the terms of the related obligations. Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss.

(c) **Long term employee benefits**

The Company has provided for the liability at the year end on account of un-availed earned leave as per the actuarial valuation as at the year-end as per the Projected Unit Credit method in accordance with Accounting Standard 15 (Revised), "Employee benefits". All actuarial gains/losses are charged to the Statement of Profit and Loss in the year these arise.

(d) Gains and losses arising out of actuarial valuation are recognized immediately in the Statement of Profit and Loss.

9. FOREIGN EXCHANGE TRANSACTIONS

i) Foreign currency transactions are recorded on initial recognition at the exchange rate prevailing on the date of the transaction. On settlement of transactions, the realized gains and losses on foreign exchange transactions are recognized in the Statement of Profit and Loss.

ii) Foreign currency monetary items remaining unsettled at the end of the year are reported at year-end rates. The exchange rate differences arising thereof are recognized in the Statement of Profit and Loss. Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

10. REVENUE RECOGNITION

The Company recognizes revenue to the extent that it can be reliably measured and is probable that the economic benefits will flow to the Company on accrual basis in accordance with Accounting Standard-9.

i) a) Sales Revenue is recognized net of sales returns. In case of sale of own manufactured goods, sales is recognized at the time of raising the invoice and in case of trading of goods, sales is recognized at the time of delivery of goods whereby all significant risks and rewards of ownership are transferred to the buyer and the Company retains no effective control over the goods transferred to a degree usually associated with the ownership.

b) In respect of depot/ consignment sales, revenue is recognized on the basis of "Accounts Statement" from Depot/Consignment Agent confirming the sale.



- c) Sales to DGS&D are accounted for at provisionally quoted rates and the difference, if any, on finalization for rates is accounted in the year in which rates are finalized.
- d) Export sales are accounted for at FOB value basis.
- ii) Interest on Fixed deposits with banks/Inter corporate deposits is recognized using the time proportion method, based on interest rates implicit in the transaction. Dividend income is recognized when the right to receive payment is established.
- iii) Interest on overdue payments from customers is recognized when reasonable certainty exists with regard to the amount to be realized and ultimate collection thereof.
- iv) Income from services is recognized when services are delivered and accepted.
- v) Income from scrap/salvage and waste material is recognized when sold.
- vi) Insurance claims are recognized when reasonable certainty exists with regard to the amount to be realized and ultimate collection thereof.

11. CENVAT and VAT:

CENVAT and VAT are accounted for by reducing purchase cost of related materials, in cases, where credit for the same is availed.

12. EXPENSE RECOGNITION

Expenses are accrued for on accrual basis and provisions are made for all known losses and liabilities. Expenses/purchases of raw materials are accounted for by reducing the cost of purchase/expense by the CENVAT and VAT, where credit for the same is availed. Further, purchase of raw materials is accounted net of purchase returns on invoice value except in the case of supplies from Government agencies where it is valued on the basis of performa invoice in the absence of invoice.

13. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an out flow of resources.

Contingent Liabilities are disclosed if a present obligation arising from a past event when it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Contingent liabilities are not recognized but are disclosed in the notes.

Contingent Assets are neither recognized nor disclosed in the Financial Statements.



14. PROVISION FOR CURRENT & DEFERRED TAX

Provision for current tax is made after taking into consideration benefits admissible under the provisions of Income Tax Act, 1961.

Deferred tax resulting from "Timing Differences" between the book profit and taxable profit is accounted for using the tax rate and laws that have been enacted or substantially enacted as on the Balance Sheet date. The deferred tax assets is recognized and carried forward only to that extent for which there is a reasonable certainty/virtual certainty that future taxable profit will be available against which such deferred tax assets can be realized.

15. BORROWING COST

Borrowing costs, that are attributable to the acquisition of qualifying assets, till the date on which assets is put to use/commissioned are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue in the period they are incurred.

16. GOVERNMENT GRANTS

The revenue grant received is accounted for on cash basis and after fulfillment of conditions attached with them. The balance of un-utilized grant at the year end is shown as current liability.

17. CASH FLOW STATEMENT

Cash flows are reported using the indirect method, whereby net profits before tax is adjusted for the effect of transaction of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities are segregated. Cash and cash equivalents presented in Cash Flow Statement consist of cash in hand, balances with banks and investments in Short term deposits with scheduled banks.

18. IMPAIRMENT OF ASSETS

At each Balance Sheet date an assessment is made whether any indication exists that an asset has been impaired. If any such indication exists, an impairment loss i.e. the amount by which the carrying amount of an asset exceeds its recoverable amount, is provided in the books of account.

19. EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders after tax by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profits attributable to equity shareholders and the weighted average number of shares outstanding are adjusted for the effects of all dilutive potential equity shares, if any.



APOLLO DESIGN APPAREL PARKS LIMITED

Notes to financial statements

Note 2 Share capital

Amount in ₹

Particulars	As at March 31, 2016		As at March 31, 2015	
	No of shares	Amount	No of shares	Amount
Authorised share capital 6,000,000 (PY : 6,000,000) equity shares of ₹ 10/- each	6,000,000	60,000,000	6,000,000	60,000,000
Issued, subscribed and paid up share capital 5,650,000 (PY : 5,650,000) equity shares of ₹ 10/- each	5,650,000	56,500,000	5,650,000	56,500,000
Total	5,650,000	56,500,000	5,650,000	56,500,000
(a) Reconciliation of the number of shares outstanding is set out below :				
Equity shares at the beginning of the year	5,650,000	5,650,000	5,650,000	5,650,000
Add : Shares issued during the year	-	-	-	-
Equity shares at the end of the year	5,650,000	5,650,000	5,650,000	5,650,000
(b) Details of shreholders holding more than 5% shares in the company	Number of share held	% of holding	Number of share held	% of holding
Equity shares of ₹ 10/- each fully paid				
National Textile Corporation Limited (Holding Company)	28,81,500	51%	28,81,500	51%
Pantaloon Retail (India) Limited	22,03,500	39%	22,03,500	39%
SBPL Infrastructure Limited	5,08,500	9%	5,08,500	9%
(c) Terms/rights attached to equity shares	The Company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting			
(d) 28,81,500 Equity Shares are held by National Textile Corporation Ltd (Holding Company) out of these shares 28,31,500 Equity Shares of ₹10/- each fully paid up issued pursuant to acquisition and transfer of undertaking Apollo Textile Mill unit of National Textile Corporation Limited without payment being received in cash				

Note 3 Reserves and surplus

Amount in ₹

Particulars	As at	As at
	March 31, 2016	March 31, 2015
Securities premium account		
Opening balance	690,130,953	690,130,953
Closing balance	690,130,953	690,130,953
General reserve		
Opening balance	49,375,954	42,222,246
Add: Transferred from surplus in statement of profit and loss	7,313,308	7,211,175
Less: Transferred for depreciation as per Companies Act, 2013	-	57,467
Closing balance	56,689,262	49,375,954
Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	168,311,501	137,411,940
Add: Profit / (Loss) for the year	73,133,082	72,111,752
Less : Dividends proposed to be distributed to equity shareholders	28,250,000	28,250,000
Tax on dividend	5,751,016	5,751,016
Transferred to : General reserve	7,313,308	7,211,175
Closing balance	200,130,259	168,311,501
Total	946,950,474	907,818,408



APOLLO DESIGN APPAREL PARKS LIMITED
Notes to financial statements

Note 4 Deferred tax liability (net)

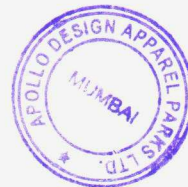
Particulars	Amount in ₹	
	As at March 31, 2016	As at March 31, 2015
Deferred tax liability		
Related to fixed assets	8,404,948	7,686,141
Gross deferred tax liability	8,404,948	7,686,141
Deferred tax asset		
Provision for leave encashment	70,995	87,487
Provision for bonus	59,657	42,550
Provision for gratuity	408,819	269,109
Gross deferred tax asset	539,471	399,146
Net deferred tax liability	7,865,477	7,286,995

Note 5 Long-term Provisions

Particulars	Amount in ₹	
	As at March 31, 2016	As at March 31, 2015
Provision for employee benefits:		
Provision for leave encashment	346,898	193,041
Provision for gratuity (net)	1,775,711	712,555
Total	2,122,609	905,596

Note 6 Trade payables

Particulars	Amount in ₹	
	As at March 31, 2016	As at March 31, 2015
Trade payables		
For goods and supplies	61,331,601	77,635,192
For Others	15,562,004	12,857,695
Total	76,893,605	90,492,887
a) Out of above ₹ 13,507/- (previous year ₹ 2,49,229/-) is payable to Holding Company		
b) The company has not received any intimations from "suppliers" regarding their status under the Micro, Small and Medium Enterprises Act 2006 and hence disclosures, if any related to amount unpaid as at the yearend together with interest paid / payable as required under the said Act have not be given.		



APOLLO DESIGN APPAREL PARKS LIMITED**Notes to financial statements****Note 7 Other current liabilities****Amount in ₹**

Particulars	As at March 31, 2016	As at March 31, 2015
Other payables		
Statutory dues	1,778,203	1,453,358
Payable to employees	171,609	185,806
Total	1,949,812	1,639,164

Note 8 Short-term provisions**Amount in ₹**

Particulars	As at March 31, 2016	As at March 31, 2015
Provision for employee benefits:		
Provision for leave encashment	115,633	64,348
Provision for gratuity (net)	197,302	79,173
	312,935	143,521
Provision - Others:		
Provision for tax (net of advance tax and TDS)	2,313,953	4,024,425
Provision for proposed dividend	28,250,000	28,250,000
Provision for tax on proposed dividends	5,751,016	5,751,016
	36,314,969	38,025,441
Total	36,627,904	38,168,962



APOLLO DESIGN APPAREL PARKS LIMITED
Notes to financial statements

Note 9 a Tangible assets

Description	Gross block			Accumulated depreciation			Net block			
	Balance as at April 01, 2015	Additions	Deletion	Balance as at March 31, 2016	Balance as at April 01, 2015	Depreciation / amortisation expense for the year	Transfer to General Reserve	Adjustment for the year	Balance as at March 31, 2016	Balance as at March 31, 2015
Leasehold rights	67,815,950	-	-	67,815,950	10,391,329	2,239,315	-	-	12,630,644	55,185,306
Electrical installation	1,895,366	19,364	-	1,914,730	550,831	210,730	-	-	761,561	1,153,169
Plant and machinery	14,447,185	29,500	-	14,476,685	3,310,714	976,804	-	-	4,287,518	10,189,167
Furniture and fixtures	1,486,914	58,942	-	1,545,856	983,860	85,540	-	-	1,069,400	476,456
Office equipment	323,347	-	-	323,347	244,585	46,898	-	-	291,483	31,864
Computers and printers	369,326	396,198	-	765,524	214,491	84,286	-	-	298,777	466,747
Air conditioners	130,303	57,387	-	187,690	66,756	35,183	-	-	101,939	85,751
Total	86,468,391	561,391	-	87,029,782	15,762,566	3,678,756	-	-	19,441,322	67,588,460
Previous year	86,165,615	561,929	759,153	86,468,391	12,058,068	3,696,441	57,467	49,410	15,762,566	70,705,825

Note 9 b Intangible assets

Description	Gross block			Accumulated depreciation			Net block			
	Balance as at April 01, 2015	Additions	Deletion	Balance as at March 31, 2016	Balance as at April 01, 2015	Depreciation / amortisation expense for the year	Transfer to General Reserve	Adjustment for the year	Balance as at March 31, 2016	Balance as at March 31, 2015
Computer software	400,515	110,951	-	511,466	370,398	26,417	-	-	396,815	30,117
Total	400,515	110,951	-	511,466	370,398	26,417	-	-	396,815	30,117
Previous year	400,515	-	-	400,515	313,272	57,126	-	-	370,398	87,243



APOLLO DESIGN APPAREL PARKS LIMITED
Notes to financial statements

Note 10 Long-term loans and advances

Particulars	Amount in ₹	
	As at March 31, 2016	As at March 31, 2015
Security deposits (Unsecured, considered good)	6,591,560	6,526,560
Total	6,591,560	6,526,560

Note 11 Inventories

(Valued at lower of cost and net realisable value)

Particulars	Amount in ₹	
	As at March 31, 2016	As at March 31, 2015
Raw materials	19,065,381	23,088,437
Work-in-progress	26,521,556	14,293,460
Finished goods	-	-
Stores and spares	29,076	75,717
Stock in trade	-	-
Total	45,616,013	37,457,614

Note 12 Trade receivables

Particulars	Amount in ₹	
	As at March 31, 2016	As at March 31, 2015
Trade receivables outstanding for a period exceeding six months from the date they are due for payment	-	-
Secured, considered good	-	-
Unsecured, considered good	-	-
Doubtful	-	-
Less: Provision for doubtful trade receivable	-	-
Others trade receivables	-	-
Secured, considered good	-	-
Unsecured, considered good	962,129,392	971,943,766
Doubtful	-	-
Less: Provision for doubtful trade receivable	-	-
Total	962,129,392	971,943,766

Note 13 Cash and cash equivalents

Particulars	Amount in ₹	
	As at March 31, 2016	As at March 31, 2015
Cash on hand	16,229	17,829
Balances with banks		
In current accounts	5,544,158	363,271
In deposit accounts	40,000,000	11,500,000
Total	45,560,387	11,881,100

out of above the balances that meet the definition of cash and cash equivalent as per AS 3 (cash flow statement is ₹ 45,560,387/-)



APOLLO DESIGN APPAREL PARKS LIMITED
Notes to financial statements

Note 14 Short-term loans and advances

Particulars	Amount in ₹	
	As at March 31, 2016	As at March 31, 2015
Other Advances (Unsecured, considered good)	14,256	4,781
Prepaid expenses	432,106	281,227
Balances with government authorities		
Deposit - Basic Excise Duty - PLA	11,011	-
Other - Trade advances (Unsecured and considered good)	286,464	3,390,890
Total	743,837	3,676,898

Note 15 Other current assets

Particulars	Amount in ₹	
	As at March 31, 2016	As at March 31, 2015
Interest accrued on deposits	565,581	590,132
Total	565,581	590,132



APOLLO DESIGN APPAREL PARKS LIMITED
Notes to financial statements
Note 16 Revenue from operations

Particulars	Amount in ₹	
	Year ended March 31, 2016	Year ended March 31, 2015
Sale of manufactured goods	304,534,363	220,747,675
Less : Excise duty	353,537	-
	304,180,826	220,747,675
Sales of traded goods	2,824,636,352	2,351,367,794
Other operating revenues	76,849	144,204
Total	3,128,894,027	2,572,259,673

Note 17 Other income

Particulars	Amount in ₹	
	Year ended March 31, 2016	Year ended March 31, 2015
Interest income		
Interest from bank deposits	2,209,847	6,375,605
Interest on overdue trade receivables	1,025,282	2,538,684
Interest from inter corporate deposits	-	12,008,050
Interest from others	526,149	582,741
Other non-operating income (net of expenses directly attributable to such income)		
Profit on sale of fixed assets	-	677
Provisions written back	28,619	-
Total	3,789,897	21,505,757

Note 18.a Cost of materials consumed

Particulars	Amount in ₹	
	Year ended March 31, 2016	Year ended March 31, 2015
Inventory at the beginning of the period	23,088,437	18,750,491
Add: Purchases (Indigenous)	192,191,613	138,757,415
Add: Manufacturing Expense		
Consumption of stores and spare parts	1,070,879	693,702
Power and fuel	2,882,644	2,410,558
Water	63,264	59,238
Rent including lease rentals	77,939	100
Repairs and maintenance - Buildings	2,390,970	126,413
Repairs and maintenance - Machinery	48,347	105,601
Repairs and maintenance - Others	500,620	261,557
Sample Expenses	9,019	7,463
Washing Charges	8,065,621	7,150,034
Octroi Charges	650,496	394,503
Embroidery Charges	509,735	292,810
Stitching Charges	45,579,648	28,692,978
	277,129,232	197,702,864
Inventory at the end of the period	19,065,381	23,088,437
Cost of material consumed	258,063,851	174,614,427



APOLLO DESIGN APPAREL PARKS LIMITED
Notes to financial statements
Note 18.b Purchase of Stock in trade

Particulars	Amount in ₹	
	Year ended March 31, 2016	Year ended March 31, 2015
Fabric shirting and suiting	1,951,686,493	1,976,967,704
Readymade Garment	761,948,402	284,919,959
Total	2,713,634,895	2,261,887,663

Note 18.c Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	Amount in ₹	
	Year ended March 31, 2016	Year ended March 31, 2015
Inventories at the end of the period:		
Finished goods	-	-
Work-in-progress	26,521,556	14,293,460
	26,521,556	14,293,460
Inventories at the beginning of the period:		
Finished goods	-	2,100
Work-in-progress	14,293,460	11,482,743
	14,293,460	11,484,843
Net (increase) / decrease	(12,228,096)	(2,808,617)

Note 19 Employee benefits expenses

Particulars	Amount in ₹	
	Year ended March 31, 2016	Year ended March 31, 2015
Salaries and wages including Contractual Labour Charges	36,084,614	29,988,483
Contribution to provident and other funds	662,465	499,112
Gratuity and leave encashment	1,724,917	472,190
Staff welfare expenses	564,018	443,227
Total	39,036,014	31,403,012

Note 20 Other expenses

Particulars	Amount in ₹	
	Year ended March 31, 2016	Year ended March 31, 2015
Insurance	528,544	460,813
Rates and taxes	959,563	773,192
Licence Fees	52,478	49,963
Communication	219,964	213,731
Travelling and conveyance	151,158	386,715
Printing and stationery	287,917	285,050
Freight and forwarding	6,506,148	3,711,939
Legal and professional	1,125,005	1,259,533
Payments to auditors (Refer Note (i) below)	264,791	183,283
Watch & Ward Expenses	2,364,814	2,108,603
Pest Control	72,924	23,156
Brokrage & Commision	4,177,632	2,561,727
CSR expenses	-	1,738,316
Miscellaneous expenses	400,825	283,291
Total	17,111,763	14,039,312

Note 20 Other expenses (contd.)
Notes: (i)

Particulars	Amount in ₹	
	Year ended March 31, 2016	Year ended March 31, 2015
Payments to auditor:		
Statutory audit fee	74,425	73,034
Tax audit fee	40,649	39,326
Reimbursement of expenses	149,717	70,923
Total	264,791	183,283



APOLLO DESIGN APPAREL PARKS LIMITED

Note - 21: Notes to financial statement for the year ended March 31, 2016

1. Previous year figures have been regrouped wherever considered necessary to correspond with the current year figures.

2. CONTINGENT LIABILITIES

Claims against the Company not acknowledged as debts: ₹ 11,12,83,250/- (previous year ₹ Nil) of Income tax demand relating to AY 2008-09.

3. REALISABLE VALUE OF ASSETS

In the opinion of the management, the value of assets other than fixed assets and non-current investments, on realization in the ordinary course of business, will not be less than the value at which these are stated in the Balance Sheet.

4. LEASE RENT

Lease rent of ₹100/- per annum was paid to NTC for leasing of land, building and structure situated thereon to the Company as per lease agreement entered between NTC and the Company on November 15, 2007.

5. INCOME

The Income of the Company is mainly from trading and manufacturing of Textile goods and Interest on Fixed Deposits with Bank.

6. Other Income includes Profit on Sale of Fixed Assets amounting to ₹ Nil/- (Previous Year ₹ 677/-)
7. The Company has not received any intimation from "suppliers" regarding their status under the Micro, Small and Medium Enterprise Development Act, 2006 and hence disclosures, if any, related to amount unpaid as at the yearend together with interest paid/payable as required under the said Act have not been given.
8. The Company has paid stamp duty of ₹ 6,78,15,950/- as adjudicated by Collector of Stamps, Maharashtra, Mumbai for registration of lease deed dated November 15, 2007 for leasehold land in the financial year 2010-11 but registration of lease deed is still pending as the holding



company yet to appoint its authorized representative to present the document for registration with concerned Sub Registrar. The Company will be able to implement the original business plan as provided under Shareholders Agreement dated November 22, 2007 only after completion of registration process in respect of the lease deed.

9. PROVIDENT FUND AND EMPLOYEE STATE INSURANCE SCHEME

The Provisions of Employees Provident Fund & Miscellaneous Provision Act, 1952 and Employee State Insurance Act are applicable to the Company from May 2010 onwards.

10. EARNING PER SHARE

"Earnings per Share" computed in accordance with Accounting Standard AS-20 issued by the Institute of Chartered Accountants of India.

		(Amount in ₹)	
	Particulars	2015-16	2014-15
a)	Calculation of Weighted Average number of Equity Shares of ₹ 10/- each.		
	No of shares at the beginning of the year	56,50,000	56,50,000
	Shares issued during the year	-	-
	Total Equity shares outstanding at the end of the year.	56,50,000	56,50,000
	Weighted Average number of equity shares during the year.	56,50,000	56,50,000
	Weighted Average number of Diluted Equity Shares during the year.	56,50,000	56,50,000
b)	Net Profit after tax available for Equity Shareholders	7,31,33,082	7,21,11,752
c)	Basic Earnings Per Share.	12.94	12.76
d)	Diluted Earnings Per Share	12.94	12.76



11. RELATED PARTY DISCLOSURE

As per Accounting Standard –18 issued by the Institute of Chartered Accountants of India, the Company related parties and transactions are disclosed as given below:

A) Holding Company

National Textile Corporation Limited (“NTC”) - 51% Shareholding

As per Para 9 of AS-18 on Related Party, “No disclosure is required in the financial statements of state-controlled enterprises as regards related party relationships with other state-controlled enterprises and transactions with such enterprise”. However, same has been disclosed for more transparency and governance.

B) Joint Venture Partners

- i) Future Retail Limited (Formerly Pantaloon Retail (India) Limited)- 39% Shareholding
- ii) SBPL Infrastructure Limited- 9% Shareholding
- iii) Sri Navdurga Textile Processors Pvt. Ltd.- 1% Shareholding

C) Fellow Subsidiary

- i) Goldmohur Design and Apparel Park Ltd
- ii) Aurangabad Textiles and Apparel Parks Limited
- iii) New City of Bombay Manufacturing Mills Limited
- iv) India United Textiles Mills Limited
- v) Swadeshi Mining & Manufacturing Company Limited

D) Key Management Personnel

Mr. Mahendra Singh Dhabria – CEO



E) Transactions with related parties

(Amount in ₹)

Nature of Transactions	JV Partners	Holding Company	Fellow Subsidiary	Key Management Personnel
Sales	2,51,73,79,956 (2,18,00,28,632)	- (-)	- (-)	- (-)
Interest Received	- (1,20,08,050)	- (-)	- (-)	- (-)
Purchase	55,716 (-)	-	- (-)	- (-)
Lease Rent Paid to NTC	- (-)	100 (100)	- (-)	- (-)
Expenditure paid by NTC on behalf of JV Company	- (-)	13,507 (276,195)	- (-)	- (-)
Expenses paid by Goldmohur Design & Apparel Park Ltd. On behalf of Apollo Design Apparel Parks Ltd.	- (-)	- (-)	21,74,375 (19,46,956)	- (-)
Managerial Remuneration*	- (-)	- (-)	- (-)	20,92,763 (19,46,956)
Inter Corporate Deposit Given	- (10,25,00,000)	- (-)	- (-)	- (-)
Inter Corporate Deposit Realized	- (46,25,00,000)	- (-)	- (-)	- (-)
Dividend Paid	1,38,42,500 (1,24,58,250)	1,44,07,500 (1,29,66,750)	- (-)	- (-)
Outstanding Receivable as on 31/03/2016	74,07,23,171 (78,63,16,408)	- (-)	- (-)	- (-)
Outstanding Payable as on 31/03/2016	- (-)	13,507 (249,229)	21,86,938 (19,92,903)	- (-)

Note: Previous year figures are given in parenthesis

*Goldmohur Design And Apparel Park Limited paid (including Provision made for retirement benefits) a total amount of ₹ 41,85,526/- (previous year ₹ 38,93,912/-) to CEO and 50% amount being ₹ 20,92,763/- (previous year ₹ 19,46,956/-) was charged to the Company as paid on their behalf and hence net amount shown as paid under related party being Key Managerial Personnel.

12. As per Accounting Standard 15 "Employee benefits", the disclosures as defined in the Accounting standard are given below :



A. Change in Present Value of Obligation

Particulars	(Amount In ₹)	
	Gratuity (Unfunded)	Leave encashment (Unfunded)
Present Value of the Obligation as on April 1, 2015	7,91,728 (6,08,526)	2,57,389 (2,20,662)
Interest Cost	63,338 (48,682)	20,591 (17,653)
Current Service Cost	7,62,089 (3,03,999)	5,71,494 (2,03,662)
Benefits Paid	30,313 (-)	12,15,507 (2,52,261)
Actuarial (gain)/ loss on obligations	3,86,171 (1,69,479)	8,28,564 (67,673)
Present Value of the Obligation as on March 31, 2016	19,73,013 (7,91,728)	4,62,531 (2,57,389)

B. Amount recognized in the Balance Sheet

Particulars	(Amount In ₹)	
	Gratuity (Unfunded)	Leave encashment (Unfunded)
Present Value of the Obligation as on March 31, 2016	19,73,013 (7,91,728)	4,62,531 (2,57,389)
Fair value of plan assets	- (-)	- (-)
Un-funded Liability	19,73,013 (7,91,728)	4,62,531 (2,57,389)
Unrecognized actuarial gains/ losses	- (-)	- (-)
Un-funded liability recognized in Balance Sheet	19,73,013 (7,91,728)	4,62,531 (2,57,389)

C. Amount recognized in the Profit and Loss Account

Particulars	(Amount In ₹)	
	Gratuity (Unfunded)	Leave encashment (Unfunded)
Interest Cost	63,338 (48,682)	20,591 (17,653)
Current Service Cost	7,62,089 (3,03,999)	5,71,494 (2,03,662)
Actual/Expected Return on Plan Assets	- (-)	- (-)
Actuarial (gain)/ loss on obligations	3,86,171 (1,69,479)	8,28,564 (67,673)
Total expense recognized in the Profit and Loss Account	12,11,598 (1,83,202)	14,20,649 (2,88,988)



D. Reconciliation of Balance Sheet

Particulars	(Amount In ₹)	
	Gratuity (Unfunded)	Leave encashment (Unfunded)
Present Value of the Obligation as on April 1, 2015	7,91,728 (6,08,526)	2,57,389 (2,20,662)
Total expense recognized in the Profit and Loss Account	12,11,598 (1,83,202)	14,20,649 (2,88,988)
Benefits Paid During the Year	30,313 (NIL)	12,15,507 (2,52,261)
Present Value of the Obligation as on March 31, 2016	19,73,013 (7,91,728)	4,62,531 (2,57,389)

E. The Assumptions used to determine the benefit obligations are as follows :

Particulars	Gratuity	Leave Encashment
Retirement Age	58 years	58 years
Withdrawal Rates	1.00%	1.00%
Discount Rate	8.00%	8.00%
Expected Rate of increase in salary	5.00%	5.00%
Expected Rate of return on plan Assets	N.A.	N.A.
Mortality Table	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate

The estimate of rate of escalation in salary considered in actuarial valuation takes into account inflation, seniority, Promotion and other relevant factors including supply and demand in the employment market. The above Information is certified by the actuary.

13. TAX EXPENSES

During the year, the following provisions were made:

Particulars	(Amount In ₹)	
	2015-16	2014-15
Current Tax	4,10,54,830	3,76,38,436
Deferred Tax	5,78,481	9,29,469
Tax for earlier years	3,32,247	1,96,409



14. Sales, Purchase, Consumption, Opening and Closing Stock of Manufactured Fabric and Traded Goods:

Manufacturing

Description	Opening Stock		Purchases		Consumption	Closing Stock	
	Qty	Amount(₹)	Qty	Amount(₹)	Qty	Qty	Amount(₹)
Fabric (qty in mtrs)	1,05,225 (1,05,545)	1,46,42,696 (1,54,06,781)	8,75,715 (6,32,456)	14,18,96,059 (9,91,00,685)	9,11,189 (6,32,775)	69,751 (1,05,225)	91,38,912 (1,46,42,696)

Trading

Description	Opening Stock		Purchases		Sales		Closing Stock	
	Qty	Amount(₹)	Qty	Amount(₹)	Qty	Amount(₹)	Qty	Amount(₹)
Fabric Shirting & Suiting (qty in mtrs)	-	-	56,26,906 (49,44,645)	1,95,16,86,493 (197,69,67,704)	56,26,906 (49,44,645)	2,03,22,58,863 (205,52,15,745)	-	-
Readymade Garments (qty in pcs)	-	-	18,85,166 (590,876)	76,19,48,402 (28,49,19,959)	18,85,166 (590,876)	79,23,77,489 (29,61,52,049)	-	-

Note: Previous year figures are given in parenthesis

15. Trade receivable as at 31st March 2016 was ₹ 96,21,29,392/- (previous year ₹ 97,19,43,766/-) and all the balance confirmations have been received. Trade payable as at 31st March 2016 was ₹ 7,86,31,920/- (previous year ₹ 8,87,54,571/-) and out of the above balance confirmations for ₹ 7,06,31,771/- (previous year ₹ 8,32,48,670/-) have been received.
16. Provision for impairment loss as required by AS-28 on "Impairment of Assets" is not necessary as in the opinion of management; there is no impairment of assets during the year.
17. The Company is covered under the provisions of section 135 of the Companies Act, 2013. The Company has not incurred any expenditure on corporate social responsibility activities.
- a. Gross amount required to be spent by the company:- ₹ 19,39,256/- (previous year ₹ 17,38,316/-)
- b. Amount Spent : - ₹ Nil (previous year ₹ Nil)



During the year under Consideration , No Provision is made for CSR Expenditure as per “ Guidance Note” on CSR Activities . The Provision of Rs. 17,38,316/- which was made in the Previous year has been Reversed as the Amount has not been spent by the Company & is shown under the head “ Prior Period Item “ as Income . Due to Reversal of the Same Income has been increased by 17,38,316/-.

Total Amount to be spent by the Company is Rs. 36,77,571.

18. The Company is engaged in the business of manufacturing and trading of textiles. Corporate income and expenses including interest are considered as part of un-allocable income and expenses which are not identifiable to any business segment. Disclosure as required by AS-17 “Segment Reporting” is given below:

Particulars	(Amount in ₹)					
	Manufacturing		Trading		Total	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
Revenue from operations	3042,57,675	2208,91,879	28246,36,352	23513,67,794	31288,94,027	25722,59,673
Cost of goods sold/operating expenses	2795,35,600	1976,64,986	27136,34,895	22618,87,663	29931,70,495	24595,52,649
Segment result gain/ (loss)	247,22,075	232,26,893	1110,01,457	894,80,131	1357,24,532	1127,07,025
Interest income	-	-	10,25,282	25,38,684	10,25,282	25,38,684
Unallocated corporate interest and other income					27,64,615	189,67,073
Unallocated corporate expenses					261,53,104	233,36,715
Profit before tax					1133,60,324	1108,76,066
Prior period items					-1,406,069	-1,96,409
Provision for tax (net)					416,33,310	385,67,905
Profit after tax					73,133,083	721,11,752
Segment assets	1872,27,227	1433,23,297	8321,40,834	8819,54,760	10193,68,061	10252,78,057
Unallocated corporate and other assets	-	-	-	-	1095,41,820	775,33,956
Total assets	1872,27,227	1433,23,297	8321,40,834	8819,54,760	11289,09,881	11028,12,013
Segment liabilities:	249,78,354	228,71,219	510,80,906	653,68,403	760,59,260	882,39,622
Unallocated corporate and other liabilities					10528,50,621	10145,72,391
Total liabilities					11289,09,881	11028,12,013
Depreciation and amortization	11,87,534	11,69,582	-	-	11,87,534	11,69,582
Unallocated depreciation and amortization					25,17,639	25,83,985
Capital expenditure	48,864	3,90,694	-	-	48,864	3,90,694
Unallocated capital expenditure					6,23,478	1,71,235



19. The Board of Directors, Subject to approval of Members, has recommended a dividend of ₹5/- (50 %) per Equity Share.

20. Paise has been rounded off to nearest rupee.

As per our report of even date attached

For M.D.Gujrati & Co

Chartered Accountants

FRN: 005301N



R.K.Agrawal

Partner

Membership No: 076984



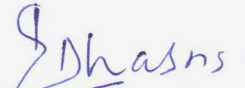
For and on behalf of Board of Directors



Anil Cherian
Director



P.K.Jain
Director



Mahendra Singh Dhabria
Chief Executive Officer

Place: New Delhi

Date: May 6, 2016



Place: New Delhi

Date: May 6, 2016