



# MOMAI APPARELS LIMITED

NOTES ON ACCOUNTS AS ON 31ST MARCH, 2016

## 1. Corporate Information.

Momai Apparels Limited ("the Company") was incorporated on January 21, 2010 as a private limited company under the Companies Act and registered with the ROC with name "Momai Apparels Private Limited". The Company was converted into a public limited company vide fresh certificate of incorporation dated September 05, 2013.

The CIN of Momai Apparels Limited is L18109MH2010PLC199178. The Company is listed on the NSE SME platform "Emerge". The registered office of the Company is situated at Unit No. 305-309, 3rd Floor, Pacific Plaza, Plot No. 570, TPS IV, Off Bhawani Shankar Road, Mahim Division, Dadar (West), Mumbai – 400 028, Maharashtra, India. MAL is engaged in the business of manufacturing of non-branded intimate garments.

## 2. Significant Accounting Policies

**A. Basis of preparation of Financial Statements.** These financial statements have been prepared to comply in all material aspects with applicable accounting principles in India, the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and other accounting principles generally accepted in India, to the extent applicable.

### B. Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised.

### C. Revenue Recognition

- Revenue from sale of goods is recognised when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, the Company retains no effective control of the goods transferred to a degree usually associated with ownership and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. Sales are recognised net of trade discounts, rebates and sales taxes.

- Interest on investments is recognised on a time proportion basis taking into account the amounts invested and the rate of interest.

- Dividend income on investments is recognised when the right to receive dividend is established."

### D. Tangible Fixed Assets

"Tangible fixed assets are stated at cost net of recoverable taxes, trade discounts and rebates, less accumulated depreciation and accumulated impairment losses, if any. The cost of Tangible fixed assets comprises its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use. Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. Tangible fixed assets not ready for the intended use on



the date of Balance Sheet are disclosed as "Capital work-in-progress".

### **E. Depreciation, Amortisation And Depletion**

"Depreciation on Tangible Fixed Assets is provided on a pro-rata basis to the extent of depreciable amount

Assets costing Rs. 5000 or less are fully depreciated in the year of purchase.

### **F. Impairment Of Assets**

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Statement in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

### **G. Investments**

"Investments are classified into current and non-current investments. Current investments are stated at the lower of cost and fair value. Non-current investments are stated at cost. A provision for diminution is made to recognise a decline, other than temporary, separately for each individual non-current investments."

Investments that are readily realisable and are intended to be held for not more than one year from the date on which such investments are made, are classified as "Current investments". All other investments are classified as "Non-Current investments".

### **H. Inventories**

Raw Materials & Finished Goods have been valued at Cost or Net realisable value, whichever is lower. Work in Progress is valued at estimated cost of production as identified by the Management. The Inventory is physically verified by the management at regular intervals. Cost of Inventory comprises of Cost of Purchase, Cost of Conversion and other Costs incurred to bring them to their respective present location and condition.

### **I. Trade Receivables & Other Loans & Advances**

Trade receivables and Loans and advances are stated after making adequate provisions for doubtful balances.

### **J. Provisions and Contingent liabilities**

"Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date and are not discounted to its present value. These are reviewed at each year end date and adjusted to reflect the best current estimate."

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain



future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

## **K. Employee Benefits**

### **- Defined Contribution Plans**

The Company makes specified monthly contributions towards Provident Fund, Superannuation Fund and Pension Scheme. The Company's contribution is recognised as an expense in the Profit and Loss Statement during the period in which the employee renders the related service.

### **- Defined Benefit Plans**

The Company is not providing for any defined benefit plan to the employees for post retirement.

## **L. Taxation**

Tax expense for the year comprises current tax and deferred tax.

Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates. Any additional liability arising during the course of assessment proceedings will be accounted for as "Tax of earlier years" on actual determination of liability by the Income Tax Dept.

"Deferred tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits. The carrying amount of deferred tax assets is reviewed at each Balance Sheet date for any write down, as considered appropriate."

## **M. Foreign Currency Transaction**

Foreign currency transactions are accounted for at the exchange rates prevailing at the date of the transaction. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Profit and Loss.

All other exchange differences are recognised as income or as expenses in the period in which they arise.

"Forward exchange contracts outstanding as at the year end on account of firm commitment transactions are marked to market and the losses, if any, are recognised in the Statement of Profit and Loss and gains are ignored in accordance with the announcement of the Institute of Chartered Accountants of India on 'Accounting for Derivatives' issued in March 2008."

## **N. Borrowing Costs**

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of that assets. Other borrowing costs are recognized as an



expense in the period in which they are incurred.

**O. Earning per Share**

Basic earnings per share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

<b>3. SHARE CAPITAL</b>	" As at 31st March 2016 "	" As at 31st March 2015 "
AUTHORISED SHARE CAPITAL		
1,60,00,000/- Equity Shares Of Rs. 10/- each	160,000,000	160,000,000
ISSUED, SUBSCRIBED & PAID UP CAPITAL		
1,44,29,535 ( PY 1,44,29,535) Equity Shares of Rs.10/- Each Fully Paid Up	144,295,350	144,295,350
<b>Total issued , subscribed and paid up capital</b>	<b>144,295,350</b>	<b>144,295,350</b>

<b>3.1 Reconciliation of the number of shares outstanding Share Capital beginning and at the end of the reporting period .</b>		
<b>Equity Shares</b>	" As at 31st March 2016 "	" As at 31st March 2015 "
At the beginning of the year	14,429,535	8,874,335
Add: Issued during the year	-	-
Add: Issued during the year - Initial Public Offer	-	5,555,200
Add: Bonus Shares Issued during the year	-	-
<b>Outstanding at the end of the year</b>	<b>14,429,535</b>	<b>14,429,535</b>

During the year ended March, 31, 2015 the Company made an Initial Public Offering (IPO) through book building process of 55,55,200 (nos) Equity Shares of Rs. 10 each. Out of the total offering 17,08,800 nos of shares were allotted as pre IPO issue allotment & 38,46,400 nos of shares were allotted in IPO. The Company has raised Rs.43.33 crores through the fresh issue of shares and incurred share issue expenses of Rs.1.44 crore which have been adjusted with securities premium account in line with the requirements of Section 52 of the Companies Act, 2013.



3.2 Details of Shareholders holding more than 5% equity shares in the Company.

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	Shares (nos)	% of Holding in the Class	Shares (nos)	% of Holding in the Class
Dinesh Chanhubha Sodha	765,000	5.30%	1,215,000	8.42%
Hitesh Subhash Punjani	1,494,000	10.35%	1,494,000	10.35%
Ashapura Intimates Fashion Ltd	2,890,500	20.03%	2,890,500	20.03%
K Kalidas Fashions Pvt Limited	900,000	6.24%	900,000	6.24%

3.3 For the period of Five years immediately preceding the date as at which the Balance Sheet is prepared:

Particulars	As at 31st March, 2016
(a) Aggregate number of Equity Shares allotted as fully paid up pursuant to contract(s) for the takeover of businesses without payment being received in cash.	1,480,000
(b) Aggregate number of Equity Shares allotted as fully paid up as Bonus shares.	2,498,000

3.4 Terms/ Rights Attached to Equity Shares

The Company has only one class of shares referred to as equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in the case of interim dividend.

4. RESERVES & SURPLUS

Particulars	As at 31st March, 2016	As at 31st March, 2015
<b>Surplus in Statement of Profit &amp; Loss</b>		
As per last balance sheet	51,819,058	27,901,980
Add :- Net Profit after tax transferred from the Statement of Profit and Loss for the year.	31,217,957	36,649,340
<b>Amount Available for Appropriation</b>	<b>83,037,016</b>	<b>64,551,319</b>
Less : Capitalisation of Profits	-	-
Less : Dividend On Equity Shares	-	(10,822,151)
Less : Tax on Dividend on Equity Shares.	(155,674)	(1,910,110)
(A)	82,881,342	51,819,058
<b>Securities Premium Account</b>		
As per Last Balance sheet	418,064,061	54,753,397
Add : Issued during the Year	-	377,753,600
Less : Share issue related expenses *	88,587	14,442,936
<b>Balance at the end of the Year</b>	<b>(B) 417,975,474</b>	<b>418,064,061</b>
<b>TOTAL</b>	<b>(A+B) 500,856,816</b>	<b>469,883,119</b>

\* Expenses amounting to Rs. 88,587 have been incurred by the Company during the FY 2015-16 towards Share issue expenses related to earlier year. Share Issue expenses of Rs. 1,44,42,936 incurred by the Company has been met out of the Securities Premium Account in accordance with the requirements of Section 52 of the Companies Act, 2013.



5. DEFERRED TAX LIABILITIES (NET)	As at 31st March, 2016	As at 31st March, 2015
Major components of Deferred tax liabilities/ (assets) arising on account of timing differences as at 31st March, 2016 are as follows:		
<b>Deferred Tax Liabilities</b>		
On difference between book balance and tax balance of fixed assets	1,783,251	2,069,260
Expense Claimed for Tax purpose on payment basis	-	-
<b>Total Deferred Tax Liabilities</b>	<b>1,783,251</b>	<b>2,069,260</b>
<b>Deferred Tax Assets</b>		(845,117)
Provision for Expense allowed for tax purpose on payment basis	-	-
Others	-	(845,117)
<b>Total Deferred Tax Assets</b>	-	-
<b>Net Deferred Tax Liability</b>	<b>1,783,251</b>	<b>1,224,143</b>
<b>Net Deferred Tax (Expense) For The Year</b>	<b>559,109</b>	

6. LONG TERM BORROWINGS	As at 31st March, 2016	As at 31st March, 2015
<b>SECURED</b>		
From Banks & Financial Institutions	15,926,555	17,408,438
From Others	159,898,086	35,158,813
<b>TOTAL</b>	<b>175,824,641</b>	<b>52,567,251</b>

**Terms & Conditions in respect of the Term Loans taken from Banks & Financial Institutions**

**1) SIDBI - Term Loan**

<b>- Security</b>	a) First charge by way of mortgage of immovable properties at unit no 301 admeasuring 305 sq ft carpet area on 3rd floor pacific plaza, maszid galli, off bhavani shankar road, Dadar West, Mumbai 28, owned by Ashapura Intimate Fashions Limited (AIFL).	
	b) Personal Guarrantees of Directors of the Company & Corporate Guarrantee of AIFL.	
<b>- Rate of Interest</b>	12.25 % p.a with monthly rest	
<b>- Repayment</b>	Repayment in 78 Monthly Installments, commencing after 3 months from the date of First disbursement.	
	<b>Nos of Monthly Installment</b>	<b>Installment amt Rs. in Lakhs</b>
	1st to 77th	1.28
	78th to 78th	1.44

**2) SIDBI - Loan Under GEM Scheme**

<b>- Security</b>	a) Residual Charge on all the current & movable assets of the Company.
	b) Extension of first charge by way of mortgage of immovable properties at unit no 301 admeasuring 305 sq ft carpet area on 3rd floor pacific plaza, maszid galli, off



	bhavani shankar road, Dadar West, Mumbai 28, owned by Ashapura Intimate Fashions Limited (AIFL).	
	c) Personal Guarantees of Directors of the Company & Corporate Guarantee of AIFL. 16 % p.a with monthly rest. Repayment in 48 Monthly Installments, commencing after 36 months from the date of First disbursement	
<b>- Rate of Interest</b>	16 % p.a with monthly rest.	
<b>- Repayment</b>	Repayment in 48 Monthly Installments, commencing after 36 months from the date of First disbursement.	
	<b>Nos of Monthly Installment</b>	<b>Installment Amt Rs in Lakhs</b>
	1st to 27th	1.62
	28th to 47th	2.68
	48th to 48th	2.66

**4) Capri Global Capital Limited (I)**

- Loan Amount	Rs. 1,28,00,000
- Security	Gala No 1, Ground Floor, Pacific Plaza Premises Co-op Soc Plot No 570, Garage Galli, Dadar (W) Mumbai 400028.
- Rate of Interest	14.50 % p.a
- Repayment	48 EMI of Rs 3.52998 Lakhs each commencing from 5/05/2014.

**5) Capri Global Capital Limited (II)**

- Loan Amount	Rs. 1,22,00,000
- Security	a) Godown No 111. 1st Floor Building no D-5, Hari Har Compound, Bhiwandi Thane 421302 b) Godown No 15, Ground Floor, Bldg No D-6, Hari Har Compound, Bhiwandi Thane 421302 c) Godown No 112,113 1st Floor Building No D-6, Hari Har Compound, Bhiwandi Thane 421302
- Rate of Interest	14.50 % p.a
- Repayment	48 EMI of Rs 3.36452 Lakhs each commencing from 5/05/2014.

**6) Reliance Capital Ltd**

- Loan Amount	Rs. 2,00,00,000
- Security	Mortgage of Immovable property t Mauli Krupa Krishna Complex CTS no 79 (3)/1 Dapode Bhivandi Thane 421308, Thane 421308 (MHS) - India.
- Rate of Interest	13.25 % p.a.
- Repayment	60 EMI of Rs 4.57625 Lakhs each.

**7) Reliance Capital Ltd - 316062**

- Loan Amount	Rs. 1,47,24,912
- Security.	Mortgage of Machinery purchased out of the term loan proceeds.
- Rate of Interest.	14.15 % p.a.
- Repayment.	36 EMI of Rs 5.04336 Lakhs each.



**8) Fullerton India Credit Co. Ltd**

- Loan Amount	Rs. 13,00,00,000
- Security.	Mortgage of Shops 305 to 309 at Pacific Plaza Premises Co-op Soc Plot No 570, Garage Galli, Dadar (W) Mumbai 400028.
- Rate of Interest.	11.90 % p.a.
- Repayment.	180 EMI of Rs 15.51865 Lakhs each.

<b>7. SHORT TERM BORROWINGS.</b>	As at 31st March, 2016	As at 31st March, 2015
Secured		
Punjab National Bank CC Account *	308,647,747	212,192,056
(Secured by way of hypothecation of stock and book debts, repayable on demand)		
Punjab National Bank OD Account**	-	65,197,021
(Secured by way of hypothecation of Fixed Deposits)		
	<b>308,647,747</b>	<b>277,389,077</b>

**Terms & Conditions in respect of the Short Term Borrowings taken from Banks.**

* Punjab National Bank CC A/c No - 1253008700001081	
- Security :	Secured by mortgage of property located at Unit no 305, 306, 307, 308, 309, & G-2 located at Pacific Plaza Masjid Galli, Dadar (W) Mumbai.
- Rate of Interest	14.50% floating.
- Repayment Terms	Fund based working capital limit & is repayable on demand.
** Punjab National Bank OD A/c No - 1253009300009765	
- Security :	Secured by Fixed Deposit of Rs. 7 crores with same Bank.
- Rate of Interest	9% fixed.
- Repayment Terms	Fund based working capital limit & is repayable on demand.

<b>8. TRADE PAYABLES</b>	As at 31st March, 2016	As at 31st March, 2015
Others	80,080,011	199,630,605
<b>TOTAL</b>	<b>80,080,011</b>	<b>199,630,605</b>





<b>9. OTHER CURRENT LIABILITIES</b>		As at 31st March, 2016	As at 31st March, 2015
Current maturities of Long term borrowings	(A)	<b>21,219,111</b>	<b>12,719,279</b>
Interest accrued but not due on borrowings	(B)	<b>1,864,961</b>	<b>610,621</b>
Other Payables:			
Creditors for Asset		2,903,967	1,003,861
Distributors deposits		-	727,000
Dividend Payable		74,075	74,076
	(C)	<b>2,978,041</b>	<b>1,804,937</b>
<b>TOTAL (A + B + C)</b>		<b>26,062,113</b>	<b>15,134,836</b>

<b>10. SHORT TERM PROVISIONS</b>		As at 31st March, 2016	As at 31st March, 2015
Provision for Taxation ( Net off of Advance Tax & TDS)		12,064,756	18,094,571
Duties & Taxes		2,464,622	2,601,021
Provision for proposed final dividend		-	10,822,151
Provision for dividend distribution tax on proposed final dividend		-	1,910,110
Provision for CSR Expenditure		897,817	-
<b>TOTAL</b>		<b>15,427,195</b>	<b>33,427,853</b>





**11. FIXED ASSETS**

Description	Gross Block			Depreciation/Amortisation/Depletion		Net Block			
	As at 01.04.15	Addition	Deduction	As at 31.03.16	Up to 01.04.15	For the period 01.04.15 to 31.03.16	Up to 31.03.16	As at 31.03.2016	As at 31.03.2016
Tangible Assets									
Office Premises at Dadar 305 To 309	41,258,586	-	-	41,258,586	4,050,149	1,886,468	5,936,617	35,321,969	37,208,437
Office Premises at Dadar shop no 1	10,640,560	-	-	10,640,560	812,060	502,236	1,314,296	9,326,264	9,828,500
Building No. 1	6,190,710	-	-	6,190,710	332,553	285,292	617,845	5,572,865	5,858,157
Building No. 2	20,461,086	-	-	20,461,086	1,099,476	942,910	2,042,386	18,418,700	19,361,610
Plant & Machinery	4,714,155	24,242,216	-	28,956,371	1,618,630	5,066,282	6,684,912	22,271,459	3,095,525
Furniture & Fixture	4,877,334	3,409,868	-	8,287,202	2,152,302	1,697,116	3,849,418	4,437,783	2,725,031
Electrical Installation	389,693	1,864,257	-	2,253,950	170,492	343,173	513,666	1,740,284	219,200
Office Equipment	93,776	-	-	93,776	75,951	16,962	92,913	863	17,825
Computers & Printers	169,460	534,385	-	703,845	113,175	227,661	340,837	363,009	56,285
Air Conditioner	59,271	105,574	-	164,845	40,078	28,399	68,476	96,369	19,194
Sub - Total (A)	88,854,631	30,156,300	-	119,010,931	10,464,866	10,996,500	21,461,367	97,549,564	78,389,765
Intangible Assets									
Sub - Total (B)	-	-	-	-	-	-	-	-	-
Total (A + B)	88,854,631	30,156,300	-	119,010,931	10,464,866	10,996,500	21,461,367	97,549,564	78,389,765
Previous Year	88,751,524	103,107	-	88,854,631	4,724,830	5,740,036	10,464,866	78,389,765	84,026,694



<b>12. OTHER NON - CURRENT ASSETS</b>	As at 31st March, 2016	As at 31st March, 2015
Deposits	2,426,050	3,341,050
Preliminary Expenses		
Opening Balance	<b>29,541</b>	<b>36,926</b>
Less : Written off during the year	7,385	7,385
	22,156	29,541
<b>Preoperative Expenses</b>		
Opening Balance	12,980	16,225
Less : Written off during the year	3,245	3,245
	9,735	12,980
<b>TOTAL</b>	<b>2,457,941</b>	<b>3,383,571</b>

<b>13. INVENTORIES</b>	As at 31st March, 2016	As at 31st March, 2015
(As Certified by the Management )		
- WIP & Finished Goods	420,704,090	501,737,275
- Acquired Stock	-	-
<b>TOTAL</b>	<b>420,704,090</b>	<b>501,737,275</b>

The Inventories have been valued at cost. The Inventory is physically verified by the management at regular intervals. Cost of Inventory comprises of Cost of Purchase, Cost of Conversion and other Costs incurred to bring them to their respective present location and condition.

<b>14. TRADE RECEIVABLES</b>	As at 31st March, 2016	As at 31st March, 2015
<b>Sundry Debtors</b>		
(Unsecured, Considered Good )		
Outstanding for More than Six Months	85,955,344	45,073,906
Others	300,232,607	341,860,372
<b>TOTAL</b>	<b>386,187,951</b>	<b>386,934,278</b>

<b>15. CASH &amp; CASH EQUIVALENT</b>	As at 31st March, 2016	As at 31st March, 2015
Cash on hand*	179,642	1,433,827
Bank Balance with Scheduled Banks	10,270	208,595
- In Current Account		
- In Deposit Account**	133,525,708	72,126,662
<b>TOTAL</b>	<b>133,715,620</b>	<b>73,769,085</b>



\* As certified by the Management.

\*\* Includes Interest accrued on same.

<b>16. SHORT TERM LOANS &amp; ADVANCES</b>	As at 31st March, 2016	As at 31st March, 2015
Loan & Advances	238,461	162,820
( Unsecured, Considered Good )	400,397	286,527
Loans & advances to Employees	285,968	1,990
Prepaid Expenses	210,647,860	148,886,923
Balance with Revenue Authorities	789,272	-
Advances to Suppliers		
Advance recoverable in cash or in kind		
<b>TOTAL</b>	<b>212,361,958</b>	<b>149,338,260</b>

<b>17. REVENUE FROM OPERATIONS</b>	As at 31st March, 2016	As at 31st March, 2015
Gross Sales less returns		
Domestic	137,49,19,061	122,80,02,580
Export	33,21,940	-
<b>TOTAL</b>	<b>1,378,241,001</b>	<b>1,228,002,588</b>



<b>18. OTHER INCOME</b>	As at 31st March, 2016	As at 31st March, 2015
Sundry Balances Written back (Net off write offs)	-	615,022
Interest on Fixed Deposit	5,637,277	2,362,957
Duty Drawback	258,978	-
Discount on Expenses	743,103	670,787
Others	218,645	22,500
<b>TOTAL</b>	<b>6,858,003</b>	<b>3,671,266</b>

<b>19. COST OF MATERIALS CONSUMED</b>	As at 31st March, 2016	As at 31st March, 2015
Opening Stock	-	-
Add: Purchases	1,084,099,342	1,119,098,073
Less: Closing Stock	-	-
<b>TOTAL</b>	<b>1,084,099,342</b>	<b>1,119,098,073</b>

<b>20. CHANGES IN INVENTORIES</b>	As at 31st March, 2016	As at 31st March, 2015
Finished Goods & WIP		
Opening Stock	501,737,275	411,245,102
Less : Closing Stock	420,704,090	501,737,275
<b>TOTAL</b>	<b>81,033,185</b>	<b>(90,492,173)</b>



<b>21. MANUFACTURING EXPENSES</b>	As at 31st March, 2016	As at 31st March, 2015
Direct Manufacturing Expense	62,197,539	65,705,394
Consumption of Stores & Spares	936,072	983,545
Rent - Factory & Machinery	8,230,794	4,156,160
Electricity & Power	2,011,815	1,716,402
<b>TOTAL</b>	<b>73,376,219</b>	<b>72,561,501</b>

<b>22. EMPLOYEE BENEFIT EXPENSES</b>	As at 31st March, 2016	As at 31st March, 2015
Salaries & Wages	13,634,855	11,906,071
Contribution to Provident and Other Funds	558,263	604,285
Staff Welfare Expenses	1,788,057	2,913,473
-		
<b>TOTAL</b>	<b>15,981,175</b>	<b>15,423,829</b>

<b>23. FINANCE COSTS</b>	As at 31st March, 2016	As at 31st March, 2015
Interest Expense:		
On Cash Credit & Overdraft	43,738,976	30,013,248
On Term Loans	10,486,569	10,386,144
Others	1,582,568	2,268,447
Other Borrowing Cost	1,276,934	1,852,962
<b>TOTAL</b>	<b>57,085,047</b>	<b>44,520,801</b>

<b>24. DEPRECIATION &amp; AMORTIZATION EXPENSES</b>	As at 31st March, 2016	As at 31st March, 2015
Depreciation (Refer Note - 11)	10,996,500	5,740,036
Preliminary Expenses w/o	10,630	10,630
<b>TOTAL</b>	<b>11,007,130</b>	<b>5,750,666</b>



25. OTHER EXPENSES	As at 31st March, 2016	As at 31st March, 2015
Repairs and Maintenance:		
Buildings	3,764,667	0
Machinery	525,648	81,934
Other Assets	-	0
Insurance	419,451	3,51,037
Rates and Taxes	1,179,645	14,53,111
Professional Fees	2,625,627	13,12,957
Security Charges	843,639	2,97,511
Office Expenses	530,628	5,83,942
Advertisement Expenses	196,556	169,700
Conveyance & Travelling expenses	1,485,849	1,392,000
Printing & Stationery	171,499	327,934
Telephone & Internet Expenses	80,188	77,020
Transportation Charges	1,719,979	2,228,904
Comission Expense	393,000	-
ROC Fees Paid	15,800	179,830
Miscellaneous Expenses	1,390,089	462,286
Provision for CSR Expenditure	897,817	-
Bad Debts Written off	844,065	-
Auditor's Remuneration (Refer note no 25.18)	337,080	224,720
<b>TOTAL</b>	<b>17,421,227</b>	<b>9,142,887</b>

25.1 PAYMENT TO AUDITORS	As at 31st March, 2016	As at 31st March, 2015
Payments to the Auditor towards (incl Service Tax)		
- Statutory Audit Fee	280,900	168,540
- Tax Audit Fee	56,180	56,180
- Other Matters	-	-
<b>TOTAL</b>	<b>337,080</b>	<b>224,720</b>

26. VALUE OF IMPORTS CALCULATED ON CIF BASIS	As at 31st March, 2016	As at 31st March, 2015
Raw Materials	-	-
Components and Spare Parts	-	-
Capital Goods	15,154,186	-
<b>TOTAL</b>	<b>15,154,186</b>	-



27. EARNINGS & EXPENDITURE IN FOREIGN CURRENCY	As at 31st March, 2016	As at 31st March, 2015
Earnings in Foreign Currency	-	-
Expenditure in Foreign Currency	-	-
<b>TOTAL</b>	-	-

**\* Purchase Price of Imported Machinery**

28. EARNINGS PER SHARES	As at 31st March, 2016	As at 31st March, 2015
Total Operations for the year ( Amt in Rs )		
Profit/ Loss for the year ( Amt in Rs )	31,217,957	36,649,340
Net Profit or loss for calculation of EPS	31,217,957	36,649,340
Weighted Average Nos of Share during the year (nos) ( Amt in Rs )	14,429,535	11,591,600
Earnings Per Share (Rs/Share) ( Amt in Rs )	2.16	3.16

**29. RELATED PARTY DISCLOSURES**

(i) List of related parties where control exists and related parties with whom transactions have taken place and relationships:

Name of Related Party	Relation
a) Ashapura Intimates Fashion Ltd	Associate Concern.
b) Harshad H. Thakkar	Director (Key Managerial Personnel)
c) Dinesh Sodha	Director (Key Managerial Personnel)
d) Hitesh Punjani	Director (Key Managerial Personnel)

(ii) Transactions during the year with related parties :

Nature of Transactions	FY 2015-16	FY 2014-15
1. Sales	729,101,191	1,023,289,219
2. Rent (Factory & Machinery)	2,520,438	2,487,348
3. Rent	360,000	360,000
4. Remuneration to Directors	4,200,000	4,200,000
5. Reimbursement of Expenses	297,000	647,918

**30. CAPITAL & OTHER COMMITMENTS.**

The Company does not have any executed contracts of material capital commitment & other material commitment as at the reporting date.

**31. FINANCIAL DERIVATIVES & HEDGING TRANSACTIONS.**

There are no outstanding Foreign Currency exposure hedged or unhedged) as at the reporting date.



## 32. PREVIOUS YEAR FIGURES

Previous year's figures have been regrouped, reclassified/ reinstated where ever necessary to correspond with current year's classification/ disclosure.

As per our report of even date  
For Bagaria & Co. LLP  
Chartered Accountants  
sd/-  
Vinay Somani  
Partner  
Membership No.-143503  
Mumbai  
Date : 28th May, 2016

For & on behalf of the Board of Directors

sd/-  
Harshad Thakkar  
Director  
DIN: 01869173

sd/-  
Anurag Gangwal  
Chief Financial Officer

sd/-  
Bhoomi Mewada  
Company Secretary

