

EURO FASHION INNERS INTERNATIONAL PRIVATE LIMITED

To,
The Members,

Your Directors have pleasure in presenting their 10th Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2015.

1. Financial highlights

The financial performance of your Company

(Amount in Rupees)

Particulars	2014-15	2013-14
Turnover	191,068,100	477,791,875
Profit before finance charges, Tax, Depreciation/Amortization (PBITDA)	26,870,693	59,450,231
Less : Finance Charges	14,14,926	1,570,790
Profit before Depreciation/Amortization (PBTDA)	25,455,767	57,879,441
Less : Depreciation	717,933	709,166
Net Profit before Taxation (PBT)	24,737,834	57,170,275
Provision for taxation	8,491,852	18,751,010
Profit/(Loss) after Taxation (PAT)	16,245,982	38,419,265
Provision for proposed dividend	123,000,000	Nil
Dividend tax	25,039,906	Nil
Transfer to General Reserve	Nil	Nil

2. State of Company's affairs and future outlook

Due to Business Transfer Agreement with Rupa & Co. Ltd there was a drop in total revenue during the year under review.

3. Change(s) in the nature of business, if any

There was no change in the nature of business during the year under review.

4. Dividend

Your Company had declared a dividend @ Rs. 30 (300%) to the members of the Company for the year under review

5. Transfer to Reserves

The Board did not propose to carry any amount to reserve.

6. Changes in Share Capital

There is no change in share capital of the Company.

7. Directors and Key Managerial Personnel

Mr. Vikash Agarwal resigned from the directorship of the Company w.e.f. 16/02/2015. There were no other changes in the directorships of the Company.

Mr. Rajnish Agarwal, Director, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

8. Number of meetings of Board of Directors

For the Financial Year 2014-15, the Company held 5 Meetings of the Board of Directors.

9. Managerial Remuneration

Not Applicable as Executive Directors have forgone their remuneration till the Company attains the sufficient Profit.

10. Details of Subsidiary

There is no subsidiary of the Company

11. Statutory Auditors

M/s. K. Agarwal & Co., Chartered Accountants, bearing Registration No. 306104E have been appointed as the Statutory Auditors of the Company for a period of five (5) years from the conclusion of the 9th Annual General Meeting (for FY 2013-14) of the Company till the conclusion of its Annual General Meeting for FY 2018-19. The Board now recommends the appointment of M/s. K. Agarwal & Co. for ratification by the members at the Annual General Meeting for the Financial Year 2015-16.

12. Cost Auditors

There is no such appointment of Cost Auditor during the year under the review

13. Response to Auditor's Remarks

Observations of the Auditors when read together with the relevant notes to the accounts and accounting policies are self-explanatory

14. Disclosure on Employee Stock Option/ Purchase Scheme

Presently, your Company does not have any Employee Stock Option/Purchase Scheme

15. Risk Management Policy

The Company has a Risk Management Policy as approved by the Board of Directors under which critical risks in various departments are identified. The risk mitigating factors are in continuous stage of evaluation.

The specific objectives of the Risk Management Policy are to ensure that all the current and future material risk exposures of the Company are identified, assessed, quantified, appropriately mitigated and managed, to establish a framework for the Company's risk management process and to ensure Company-wide implementation, to ensure systematic and uniform assessment of risks related with the business of the Company, to enable compliance with appropriate regulations, wherever applicable..

The risk and risk mitigating factors are discussed and deliberated at the Meeting of the Board on half yearly basis.

In the opinion of the Board there are no such factors which threaten the existence of the Company.

16. Extract of the annual return

The extract of annual return as on the financial year ended March 31, 2015 in Form No. MGT-9 is enclosed.

17. Material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report

There were no such material changes and commitments.

18. Details of significant and material orders passed by the regulators / courts / tribunals impacting the going concern status and the Company's operations in future-

No such significant and material order have been passed by any regulator/ court/ tribunals against the Company

19. Statement in respect of adequacy of internal financial controls with reference to the Financial Statements

Your Company has an adequate system of internal control procedures which is commensurate with the size and nature of business. It is ensured that all the assets are safeguarded, protected against loss and all transactions are authorized, recorded and reported correctly. The internal control systems of the Company are monitored and evaluated and reviewed by the Board.

Your Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively. In this regard, your Board confirms that systems and procedures exist to ensure that all transactions are recorded as necessary to permit preparation of

financial statements in conformity with generally accepted accounting principles or any other criteria applicable to such statements, and to maintain accountability for aspects.

20. Deposits

Your Company has not accepted any deposit within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 during the year ended March 31, 2015.

21. Particulars of loans, guarantees or investments under section 186

Your Company has not taken any loans, guarantees or investments under section 186 of the Companies Act, 2013

22. Particulars of contracts or arrangements with related parties

During the year, the Company has not entered into any contract / arrangement/transaction with related parties which could be considered material in accordance with the Company's Policy Materiality of Related Party Transactions. Accordingly, no transactions are being reported in Form No. AOC-2 in terms of section 134 of the Companies Act 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014.

23. Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act 2013:

This Act is not applicable.

24. Conservation of energy, technology absorption, foreign exchange earnings and outgo

Not Applicable

25. Directors' Responsibility Statement

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

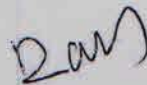
- (i) that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- (ii) that such accounting policies as mentioned in Notes to the annual accounts have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March 2015 and of the profit of the Company for the year ended on that date;

- (iii) that proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities has been taken;
- (iv) that the annual accounts has been prepared on a going concern basis;
- (v) that proper systems to ensure compliance with the provisions of all applicable laws are in place and that such systems were adequate and operating effectively; and
- (vi) that internal financial controls to be followed by the company are in place and that such internal financial controls are adequate and are operating effectively.

26. Acknowledgements

An acknowledgement to all with whose help, cooperation and hard work the Company is able to achieve the results.

By order of the Board



Place: Kolkata
Date: May 20, 2015

Ramesh Agarwal
Director
DIN: 00230702

Rajnish Agarwal
Director
DIN: 00250271

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31/03/2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014

I. Registration and other details:

- i) CIN: U17120MH2005PTC152837
ii) Registration Date: 26/04/2005
iii) Name of the Company: Euro Fashion Inners International Private Limited
iv) Category/ Company Limited by Shares
v) Sub-Category of the Company: 102, VIP Plaza, 7, Veera Desai Industrial Estate,
vi) Address of the Registered office: Near Afcons Godown, Off Link Rd.,
Andheri (W), Mumbai – 400 053, Maharashtra
Tel: (033) 3057 3100
Fax: 2288 1632

Contact details:

- vii) Whether listed company, Yes/ No: No
viii) Name, Address and Contact details of Registrar and Transfer Agent, if any: Not Applicable

II. Principal business activities of the company

All the Business activities contributing 10 % or more of the total turnover of the company are:-

Sl. No	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Royalty		

III. Particulars of holding, subsidiary and associate companies

S. NO	Name and Address of The company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares Held	Applicable section
1	Rupa & Company Ltd 1, Ho Chi Minh Sarani, Metro Tower , 8 th	L17299WBPLC038517	Holding	99.99	2(46)

	Floor, Kolkata- 700 071				
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IV. Share holding pattern (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	Nil	6	6	0.0001	Nil	6	6	0.001	Nil
b) Central Govt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) State Govt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Bodies Corp.	Nil	4099994	4099994	99.99		4099994	4099994	99.99	Nil
e) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Any Other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (A) (1):-	Nil	4100000	4100000	100	Nil	4100000	4100000	100	Nil

ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Share holding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Manish Agarwal	1	0.00	Nil	1	0.00	Nil	Nil
2	Ravi Agarwal	1	0.00	Nil	1	0.00	Nil	Nil

3	Vikash Agarwal	1	0.00	Nil	1	0.00	Nil	Nil
4.	Rajnish Agarwal	1	0.00	Nil	1	0.00	Nil	Nil
5.	Mukesh Agarwal	1	0.00	Nil	1	0.00	Nil	Nil
6.	Ramesh Agarwal	1	0.00	Nil	1	0.00	Nil	Nil
7.	Rupa & Company Ltd	4099994	99.99	NIL	4099994	99.99	NIL	Nil
	Total	4100000	100	Nil	4100000	100	Nil	Nil

iii) Change in Promoters' Shareholding:

During the year under review, there were no changes in the Promoters' Shareholding..

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	N.A	N.A	N.A	N.A
2.	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	N.A	N.A	N.A	N.A
3.	At the End of the year (or on the date of separation, if separated during the year)	N.A	N.A	N.A	N.A

v) **Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	Name	Shareholding at the beginning [01/04/14]/end of the year [31/03/2015]		Cumulative Shareholding during the year [01/04/14 to 31/03/2015]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Ramesh Agarwal				
	01-04-2014	1	0.00		
	31-03-2015	1	0.00	1	0.00
2	Rajnish Agarwal				
	01-04-2014	1	0.00		
	31-03-2015	1	0.00	1	0.00

V. Indebtedness

Indebtedness of the Company including interest outstanding/accrued but not due for payments

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	56,782,201	Nil	4,014,653	68,896,854
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	56,782,201	Nil	4,014,653	68,896,854
Change in Indebtedness during the financial year				
• Addition	Nil	Nil	Nil	56,782,201
• Reduction	56,782,201	Nil	4,014,653	
Net Change	(56,782,201)	Nil	(4,014,653)	60,796,854
Indebtedness at				

the end of the financial year					
i) Principal Amount	Nil	Nil	Nil	Nil	Nil
ii) Interest due but not paid	Nil	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil	Nil
Total (i+ii+iii)	Nil	Nil	Nil	Nil	Nil

VI. Remuneration of directors and Key Managerial Personnel

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total amount
1.	Gross salary	N.A	N.A	N.A	N.A	N.A
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	N.A	N.A	N.A	N.A	N.A
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	N.A	N.A	N.A	N.A	N.A
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	N.A	N.A	N.A	N.A	N.A
2.	Stock Option	N.A	N.A	N.A	N.A	N.A
3.	Sweat Equity	N.A	N.A	N.A	N.A	N.A
4.	Commission - as % of profit -others, specify	N.A	N.A	N.A	N.A	N.A
5.	Others, please specify	N.A	N.A	N.A	N.A	N.A
	Total (A)	N.A	N.A	N.A	N.A	N.A
	Ceiling as per the Act					

B. Remuneration to other directors:

Sl. no.	Particulars of Remuneration	Name of Directors				Total Amount
		-	-	-	-	
	3. Independent Directors Fee for attending board / committee meetings Commission Others, please specify	N.A	N.A	N.A	N.A	N.A
	Total(1)	N.A	N.A	N.A	N.A	N.A
	4. Other Non-Executive Directors Fee for attending board / committee meetings Commission Others, please specify	N.A	N.A	N.A	N.A	N.A
	Total(2)	N.A	N.A	N.A	N.A	N.A
	Total(B)=(1+2)	N.A	N.A	N.A	N.A	N.A
	Total Managerial Remuneration	N.A	N.A	N.A	N.A	N.A
	Overall Ceiling as per the Act	N.A	N.A	N.A	N.A	N.A
		N.A	N.A	N.A	N.A	N.A

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD


Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 Value of perquisites u/s 17(2) Income-tax Act, 1961 Profits in lieu of salary under section 17(3) Income tax Act, 1961				
2	Stock Option	N.A	N.A	N.A	N.A
3.	Sweat Equity	N.A	N.A	N.A	N.A
4.	Commission - as % of profit - others, specify.	N.A	N.A	N.A	N.A
5.	Others, please specify	N.A	N.A	N.A	N.A
	Total	N.A	N.A	N.A	N.A

VII. Penalties / Punishment/ Compounding of offences

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	N.A	N.A	N.A	N.A	N.A
Punishment	N.A	N.A	N.A	N.A	N.A
Compounding	N.A	N.A	N.A	N.A	N.A
B.DIRECTORS					
Penalty	N.A	N.A	N.A	N.A	N.A
Punishment	N.A	N.A	N.A	N.A	N.A
Compounding	N.A	N.A	N.A	N.A	N.A
C. OTHER OFFICERS IN DEFAULT					
Penalty	N.A	N.A	N.A	N.A	N.A
Punishment	N.A	N.A	N.A	N.A	N.A
Compounding	N.A	N.A	N.A	N.A	N.A

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]- The provision of CSR is not applicable for your Company during the year under review.

By order of the Board

Place: Kolkata
Date: May 20, 2015

Ramesh Agarwal
Director
DIN: 00230702

Rajnish Agarwal
Director
DIN: 00250271



INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF EURO FASHION INNERS INTERNATIONAL PRIVATE LIMITED

REPORT ON THE STANDALONE FINANCIAL STATEMENTS

We have audited the accompanying standalone financial statements of **EURO FASHION INNERS INTERNATIONAL PRIVATE LIMITED** ("the company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT 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 standalone 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 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 thereunder.

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 misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and 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 and fair presentation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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 standalone 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:

Cont.....2

H.O. : 34, Ezra Street, 2nd Floor, Kolkata - 700 001

Phone : 2215-3132, 2215-7614, Fax : 91 33 2235 2761, E-mail : kagrawalandco@gmail.com

Branch Office : 113/5A, Hazra Road, Kolkata - 700 026

Phone : 9883080565, E-mail : shekharharlalka123@rediffmail.com



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- a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2015; and
- b) in the case of the Statement of Profit and Loss, of the Profit for the year ended on that date
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the order.
2. 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 purpose of our audit;
 - b) In our opinion proper books of accounts as required by law have been kept by the company so far as 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 books of account.
 - d) In our opinion, the aforesaid standalone 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) On the basis of written representations received from the directors as on 31st March, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164(2) of the Act; and
 - f) 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 information and according to the explanations given to us:
 - i. The Company has pending litigations with Income Tax Department and ESI Department which are disclosed in its standalone financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For: **K.AGRAWAL & CO.**
Chartered Accountants
Firm Regn No. 306104E

K. C. Agrawal

(CA. K.C. AGRAWAL)
Partner

Membership No. 010277

Place: Kolkata

Dated: The 18th day of May, 2015





ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

Referred to in Paragraph 1 under the heading "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS of our report of even date on the accounts for the year ended on **31st March, 2015** of **EURO FASHION INNERS INTERNATIONAL PRIVATE LIMITED**.

- (i) (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 during the year by the management at reasonable intervals having regard to the size of the company; and no material discrepancies were noticed on such verification.
- (ii) The opening stock of Inventories was wholly sold to its holding company and no transaction has taken place during the year. Therefore, the company has no stock of inventory as on the year end.
- (iii) The company has not granted any secured or unsecured loans to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act.
- (iv) There is an adequate interest control system commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. There is no continuing failure to correct major weaknesses in internal control system.
- (v) As explained to us, the company has not accepted any deposits, from public in the meaning of the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act 2013 and the rules framed there under, and no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal for the noncompliance of directive of the same.
- (vi) Maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act 2013 for any product of the company.
- (vii) (a) The company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues as applicable to the company with the appropriate authorities and no undisputed amount payable in respect of any statutory dues were outstanding as at 31st March 2015 for a period of more than six months from the date they became payable.





- (b) According to information and explanation given to us, there are no such case where sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess have not been deposited on account of any dispute other than disputed income tax, etc as indicated below: -

Name of Statute	Nature of dues	Amount	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act 1961	Income Tax	558150/-	A.Y. 2009-10	CIT (Appeals) Kolkata
Income Tax Act 1961	Income Tax	220070/-	A.Y. 2011-12	CIT (Appeals) Kolkata
Income Tax Act 1961	Income Tax	161870/-	A.Y. 2012-13	CIT (Appeals) Kolkata
E.S.I. Act, 1948	Employees State Insurance	39967/-	A.Y. 2007-08	Employees Insurance Court West Bengal Kolkata

- (c) According to information and explanation given to us no amount is required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.
- (viii) The Company does not have any accumulated losses at the end of the financial year. It has neither incurred cash losses in the current financial year nor in the immediately preceding financial year.
- (ix) The company has not defaulted in repayment of dues to a financial institution or bank or debenture holders.
- (x) According to information and explanation give to us by the management, the company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xi) Based on the information and explanation given to us by the management, no term loans has been accepted by the company during the year.
- (xii) To the best of our knowledge and according to information and explanation given to us by the management, no fraud on or by the company was noticed or reported during the year.

For : **K. AGRAWAL & CO.**
Chartered Accountants
Firm Regn No. 306104E

K.C. Agrawal

(CA. K.C. AGRAWAL)
Partner

Membership No. 010277

Place : Kolkata.

Dated : The 18th day May, 2015.



EURO FASHION INNERS INTERNATIONAL PRIVATE LIMITED

Balance Sheet as at 31st March , 2015

	Note	As At	
		March 31, 2015	March 31, 2014
Equity & Liabilities			
Shareholders' Funds			
Share Capital	3	41,000,000	41,000,000
Reserves & Surplus	4	1,119,678	132,913,603
Total Shareholders' Funds (i)		42,119,678	173,913,603
Non-Current Liabilities			
Deferred Tax Liabilities (Net)	5	3,699,856	3,368,004
Other Long Term Liabilities	6	-	4,014,653
Total Non -Current liabilities (ii)		3,699,856	7,382,657
Current Liabilities			
Short Term Borrowings	7	-	56,782,201
Trade Payables	8	1,726,289	16,662,024
Other Current Liabilities	9	3,881,264	44,561,834
Short Term Provisions	10	148,039,906	-
Total Current Liabilities (iii)		153,647,459	118,006,059
Total Equity & Liabilities (i)+(ii)+(iii)		199,466,993	299,302,319
Assets			
Non Current Assets			
Fixed Assets			
Tangible Assets	11	30,862,477	31,530,456
Intangible Assets	12	99,909	149,863
Non Current Investments	13	3,000	3,000
Long Term Loans & Advances	14	9,615,000	8,100,000
Total Non Current Assets (iv)		40,580,386	39,783,319
Current Assets			
Inventories	15	-	193,058,443
Trade Receivables	16	155,716,862	61,983,414
Cash & Cash Equivalents	17	249,031	47,715
Short Term Loans & Advances	18	2,920,714	4,429,428
Total Current Assets (v)		158,886,607	259,519,000
Total Assets (iv)+(v)		199,466,993	299,302,319

The notes are an integral part of these financial statements

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As per our Report of even date.

For K.AGRAWAL & CO.

Chartered Accountants

Firm Registration No. 306104E

K.C. Agrawal
(CA. K.C.AGRAWAL)

Partner

Membership No.010277

Place: Kolkata

Dated: 18th Day Of May 2015

Rajnish

RAJNISH AGARWAL
Director

Ramesh

RAMESH AGARWAL
Director

EURO FASHION INNERS INTERNATIONAL PRIVATE LIMITED

Statement of Profit & Loss for the period ended 31 st March, 2015

	Note	March 31, 2015	March 31, 2014
Revenue			
Revenue From Operations (Gross)	19	191,068,100	477,791,875
Less: Excise Duty		-	-
Revenue From Operations (Net)		191,068,100	477,791,875
Other Income	20	118,375	219,617
Total Revenue		191,186,475	478,011,492
Expenses			
Cost of materials consumed	21	-	272,917,156
Changes in inventories of Finished Goods, Work -in-progres and stock-in-trade	22	163,577,020	(4,946,363)
Employee Benefits Expense	23	-	15,274,674
Finance Cost	24	1,414,926	1,570,790
Depreciation & Amortisation expense	25	717,933	709,166
Other expenses	26	738,762	135,315,794
Total Expenses		166,448,641	420,841,217
Profit before exceptional and extraordinary items and tax		24,737,834	57,170,275
Exceptional Items		-	-
Profit before extraordinary items and tax		24,737,834	57,170,275
Extraordinary Item		-	-
Profit before tax		24,737,834	57,170,275
Tax Expense			
Current Tax		8,050,000	18,400,000
Deferred Tax		331,852	322,035
Adjustment of Earlier year provision/taxes		110,000	28,975
Profit/(Loss) for the period from continuing operations		16,245,982	38,419,265
Profit/(Loss) for the period		16,245,982	38,419,265
Earnings per Equity Share: (Nominal value per equity share Rs 10/-)			
Basic & Diluted		3.96	9.37

As per our Report of even date.

For K.AGRAWAL & CO.

Chartered Accountants
Firm Registration No. 306104E

K.C. Agrawal

(CA. K.C.AGRAWAL)

Partner

Membership No.010277

Place: Kolkata

Dated: The 18th Day of May, 2015

Rajnish Agarwal

RAJNISH AGARWAL

Director

Ramesh Agarwal

RAMESH AGARWAL

Director



NOTES TO THE FINANCIAL STATEMENTS

1 General Information:

Euro Fashion Inners International Private Limited (the Company) is a 100% subsidiary of Rupa & Company Limited and is engaged in manufacture of premium men's knitted inner wear products under the brand name "EURO". It caters to high end premium segment across the whole country. The Company has manufacturing Plants in Tirupur, India and also gets various manufacturing done at Domjur Plant. The company primarily sells its product in India through own retail outlets as well as independent retailers upto 31st March, 2014. The company has transferred its Business Operations to its Holding Company "Rupa and Company Limited" with effect from 1st April, 2014 through a Business Collaboration Agreement.

2 Summary of significant accounting policies

2.1 Basis of preparation

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis, except for certain tangible assets which are being carried at revalued amounts. These financial statements have been prepared to comply with all material aspects with the accounting standards notified under Section 133 and the other relevant provisions of the Companies Act, 2013 read with Rule 7 of The Companies (Accounts) Rules, 2014.

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 realisation 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.

2.3 Tangible Asset

Fixed assets are stated at cost less accumulated depreciation. Cost of an asset comprises its purchase price and incidental expenses related thereto.

2.4 Depreciation

Depreciation is provided on a pro-rata basis on the straight-line method over the useful life of the assets as per the life prescribed under Schedule II of the Companies Act, 2013.

2.5 Intangible Assets

Intangible Assets are stated at cost of acquisition less accumulated amortization. Intangible Assets are amortised on a straight line basis over their estimated useful lives.

The life of Copyrights and Trademarks are considered to be ten years and amortised accordingly.

2.6 Investments

Investments are classified as Long Term Investments. They are carried at Cost. However provision for diminution is made to recognise a decline, other than temporary, in the value of investments, such reduction being determined and made for each investment individually.

2.6 Impairments

If the carrying amount of fixed assets exceeds the recoverable amount on the reporting date, the carrying amount is reduced to the recoverable amount. The recoverable amount is measured as the higher of the net selling price and the value in use determined by the present value of estimated future cash flow.

2.7 Borrowing Costs

Borrowing Cost that are attributable to the acquisition, construction or production of qualifying assets are capitalized as part of cost of such assets till such time as the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognized as an expense in the period in which they are incurred.

2.8 Inventories

Inventories are stated at lower of cost and net realisable value. Cost is determined using the first-in, first-out (FIFO) method. The cost of finished goods and work in progress comprises design costs, raw materials, direct labour, other direct costs and related production overheads.

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



2.9 Revenue Recognition

Sale of goods: Sales are recognised when the substantial risks and rewards of ownership in the goods are transferred to the buyer and goods are unconditionally handed over to the transporters for delivery as per the terms of the contract and are recognised net of discounts, rebates, sales taxes and excise duties.

Royalty: Royalty income is accrued and recognised in accordance with the terms of the relevant agreement.

2.10 Other Income

Interest: Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend: Dividend income is recognised when the right to receive dividend is established.

2.11 Employee Benefits

(i) **Provident Fund:** Contribution towards provident fund for certain employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis. Company's Contributions to Provident Fund are charged to Profit & Loss account as and when they become payable.

ii) **Leave encashment:** Such benefits of compensated absences are accrued and settled on a 12-month period of April to March and are accounted for as and when paid.

2.12 Deferred Tax

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions.

Deferred tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. 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. 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. At each Balance Sheet date, the group reassesses unrecognised deferred tax assets, if any.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

Minimum Alternative Tax credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period.

Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

2.13 Provisions and Contingent Liabilities

Provisions: 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.



2.14 Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for 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 or loss 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.

2.15 Prior Period Adjustments

Prior period items which arise in the current period as a result of error or omission in preparation of prior period's financial statement are separately disclosed in the current statement of Profit or Loss. However, differences in actual Income/expenditure arising out of over/under estimation pertaining to prior periods are not treated as "Prior Period Adjustment".

As per our Report of even date.

For **K.AGRAWAL & CO.**
Chartered Accountants
Firm Registration No. 306104E

K.C. Agrawal
(CA. K.C.AGRAWAL)

Partner
Membership No.010277
Place: Kolkata
Dated: 18th Day of May 2015



Rajnish

RAJNISH AGARWAL
Director

Ramesh

RAMESH AGARWAL
Director

NOTES TO THE FINANCIAL STATEMENTS

		Year Ended			
		March 31, 2015		March 31, 2014	
3	Share Capital				
	Authorised: 5000000 Equity Shares of ` 10/- each	50,000,000		50,000,000	
	Issued: 4100000 Equity Shares of ` 10/- each fully Paid up	41,000,000		41,000,000	
	Subscribed and paid up: 4100000 Equity Shares of ` 10/- each Fully Paid up	41,000,000		41,000,000	
(a)	Reconciliation of number of shares				
	Balance as at the beginning of the year	4,100,000		4,100,000	
	Balance as at the Close of the year	4,100,000		4,100,000	
(b)	Rights, preferences and restrictions attached to shares				
	Equity Shares: The company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.				
(c)	Shares held by holding company, its ultimate holding company or any subsidiary of the holding company/ultimate holding company and subsidiary of holding company	March 31, 2015		March 31, 2014	
		4100000		4100000	
(d)	Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company				
		March 31, 2015		March 31, 2014	
		No of Shares	%	No of Shares	%
	Promoter & Promoter Group: Rupa & Company Limited	4100000	100.00	4100000	100.00
4	Reserves & Surplus				
		March 31, 2015		March 31, 2014	
	Surplus in Statement of Profit & Loss:				
	Balance as at the beginning of the year	132,913,603		94,494,338	
	Add: Profit for the year	16,245,982		38,419,265	
	Less: Appropriation				
	Proposed Dividend on Equity Shares for the year	123,000,000		-	
	Dividend distribution tax on proposed dividend	25,039,906		-	
	Total	1,119,678		132,913,603	
5	Deferred Tax Liabilities (Net)				
		March 31, 2015		March 31, 2014	
	Deferred Tax Liabilities (related to fixed assets)	3,699,856		3,368,004	
	Total	3,699,856		3,368,004	
6	Other Long-term liabilities				
		March 31, 2015		March 31, 2014	
	Security Deposits from Customers	-		4,014,653	
	Total	-		4,014,653	



7 Short-term Borrowings	Year Ended			
	March 31, 2015		March 31, 2014	
Secured:				
From Banks				
Working Capital Loans		-		56,782,201
Total secured Loans		-		56,782,201

(a) Nature of Security and terms of repayment for secured borrowings

Borrowings	Terms of Repayments
The Working Capital Loan is financed by Indusind Bank Limited and are secured by hypothecation of entire Current Assets of the Company, Equitable Mortgage of Land at Tirupur.	Repayable on demand and carries interest as Mutually agreed from time to time. The Loan amount has been fully repaid and squared up during the year.
The Unsecured Loan is taken from Holding Company Rupa & Company Limited.	Interest Free Loan Repayable on demand

8 Trade Payables	Year Ended			
	March 31, 2015		March 31, 2014	
Trade payables		1,726,289		16,662,024

9 Other Current Liabilities	Year Ended			
	March 31, 2015		March 31, 2014	
Advances from Customer		-		-
Statutory dues		68,565		152,631
Temporary Book Debt from Bank due to Reconciliation		-		1,713,213
Other Liabilities		832,540		36,795,990
Provison of Income tax (Net of Payments)		2,980,159.00		5,900,000
Total		3,881,264		44,561,834

10 Short Term Provisions	Year Ended			
	March 31, 2015		March 31, 2014	
Provision for Proposed Equity Dividend	123,000,000			-
Provision for tax on Proposed Equity Dividend	25,039,906	148,039,906		-
		148,039,906		-

13 Non Current Investments	Year Ended			
	March 31, 2015		March 31, 2014	
Unquoted Equity Shares:				
Investment in Joint Stock companies				
West Bengal Hosiery Park Infrastructure Ltd. of Face Value of Rs. 10/-	300	3,000		3,000
		3,000		3,000

14 Long-term loans and advances	Year Ended			
	March 31, 2015		March 31, 2014	
Unsecured, considered good (unless otehrwise stated):				
Capital Advances		9,615,000		8,100,000
Total		9,615,000		8,100,000



NOTES TO THE FINANCIAL STATEMENTS

Tangible Assets	Freehold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Total
Gross Block							
As at 1 April 2013	4,688,520	27,125,308	2,232,173	93,211	746,719	347,252	35,233,183
Additions	-	-	-	3,050	-	-	3,050
Disposals	-	-	-	-	37,678	-	37,678
As at 31 March 2014	4,688,520	27,125,308	2,232,173	96,261	709,041	347,252	35,198,555
Additions	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
As At 31st. March, 2015	4,688,520	27,125,308	2,232,173	96,261	709,041	347,252	35,198,555
Depreciation:							
As at 1 April 2013	-	1,760,582	466,885	18,273	469,289	313,292	3,028,321
Additions	-	442,143	103,064	6,078	73,921	33,960	659,166
Disposals	-	-	-	-	19,388	-	19,388
As at 31 March 2014	-	2,202,725	569,949	24,351	523,822	347,252	3,668,099
Additions	-	428,304	172,784	11,515	55,376	-	667,979
Disposals	-	-	-	-	-	-	-
As At 31st. March, 2015	-	2,631,029	742,733	35,866	579,198	347,252	4,336,078
Net Block							
At 31 March 2015	4,688,520	24,494,279	1,489,440	60,395	129,843	-	30,862,477
At 31 March 2014	4,688,520	24,922,583	1,662,224	71,910	185,219	-	31,530,456

Note: All assets are own assets.

12 Intangible Assets:

Copyrights and Trademarks

Gross Block:	
As at 1 April 2013	500,000
Purchase	-
At 31 March 2014	500,000
Purchase	-
As At 31 March 2015	500,000
Amortisation:	
As at 1 April 2013	300,137
Purchase	50,000
At 31 March 2014	350,137
Purchase	49,954
As At 31 st March 2015	400,091
Net Block	
As At 31 March 2014	149,863
As At 31 st March 2015	99,909

Note: All assets are own assets.



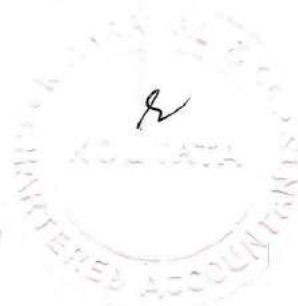
15 Inventories	Year Ended	
	March 31, 2015	March 31, 2014
Raw Materials	-	25,866,972
Work In Progress	-	40,080,895
Finished Goods	-	123,496,126
Packing Material	-	3,614,450
Total	-	193,058,443

16 Trade Receivables	Year Ended	
	March 31, 2015	March 31, 2014
Unsecured, considered good		
Outstanding for a period exceeding 6 months from the date they are due for payment	155,716,862	241,062
Others	-	61,742,352
Total	155,716,862	61,983,414

Note: Out of Total Trade Receivables for F.Y 2014-15 Rs. 15,56,20,733/- , F.Y 2013-14 Rs. Rs. 4,42,91,083/- belongs to Holding Company

17 Cash and Cash Equivalents	Year Ended	
	March 31, 2015	March 31, 2014
Bank balances		
In current accounts	231,262	24,982
Cash and Cash equivalents		
Cash in hand	17,769	22,733
Total	249,031	47,715

18 Short-term loans and advances	Year Ended	
	March 31, 2015	March 31, 2014
Unsecured considered good, unless otherwise stated:		
Loans and advances: Considered good		
Advance recoverable in cash or Kind	2,880,714	4,269,928
Other Loans and Advances		
Advance to Employees	40,000	159,500
Total	2,920,714	4,429,428



19 Revenue	Year Ended	
	March 31, 2015	March 31, 2014
Revenue from Operations:		
Sale of products		
Finished/ Semi-finished goods	190,369,693	477,791,875
Revenue from Operations (Gross)	190,369,693	477,791,875
Less: Excise Duty	-	-
Royalty Income	698,407	-
Revenue from Operations (Net)	191,068,100	477,791,875

Details of product sold	Year Ended	
	March 31, 2015	March 31, 2014
Finished Goods Sold		
Knitwear	134,469,349	429,104,670
Semi-Finished Goods Sold		
	55,900,344	48,687,205
Total	190,369,693	477,791,875

20 Other Income	Year Ended	
	March 31, 2015	March 31, 2014
Interest Income on- on Receivables	37,441	207,907
Liability Written Back	80,934	11,710
Total	118,375	219,617

21 Cost of materials consumed	Year Ended	
	March 31, 2015	March 31, 2014
Raw material consumed*		
Opening inventory	25,866,972	44,640,591
Add : Purchases (net)	-	221,070,840
Less : Sale of Materials	25,866,972	-
Less : Inventory at the end of the year	-	25,866,972
Cost of raw materials consumed during the year (A)	-	239,844,459
Packing material consumed		
Opening inventory	3,614,450	4,143,720
Add : Purchases (net)	-	32,543,427
Less : Sale of Materials	3,614,450	-
Less : Inventory at the end of the year	-	3,614,450
Cost of packing materials consumed during the year (B)	-	33,072,697
Total (A + B)	-	272,917,156

* Raw Material Consumed are of 100% Indegenous goods

Details of Raw Materials Consumed*	Year Ended	
	March 31, 2015	March 31, 2014
Yarn /Than	-	215,086,176
Packing Material	-	33,072,697
Elastic ,Labels & Other Material	-	24,758,283
Total	-	272,917,156

22 Changes in inventory of finished goods and work in progress	Year Ended	
	March 31, 2015	March 31, 2014
(Increase)/decrease in stocks		
Stock at the end of the year:		
Finished Goods	-	123,496,126
Work-in progress	-	40,080,894
Total A	-	163,577,020
Less: Stock at the beginning of the year:		
Finished Goods	123,496,126	138,012,009
Work-in progress	40,080,894	20,618,648
Total B	163,577,020	158,630,657
Increase/Decrease in Stocks (B-A)	163,577,020	(4,946,363)
Details of Inventory		
Work-in-Progress		
Knit wear	-	40,080,894
Finished Goods		
Knit wear	-	123,496,126



23 Employee Benefits Expenses	Year Ended	
	March 31, 2015	March 31, 2014
Salaries, Wages and Bonus	-	14,768,639
Contribution to Provident and Other Funds	-	62,807
Staff Welfare Expenses	-	443,228
Total	-	15,274,674

24 Finance Costs	Year Ended	
	March 31, 2015	March 31, 2014
Interest on Short Term borrowings	66,788	456,937
Interest on shortfall of advance tax	870,057	690,202
Interest on delay payment of VAT	164,375	-
Other interest	286,740	256,469
Bank Charges	26,966	167,182
Total	1,414,926	1,570,790

25 Depreciation and Amortization Expense	Year Ended	
	March 31, 2015	March 31, 2014
Depreciation on Tangible assets	667,979	659,166
Amortisation of Intangible assets	49,954	50,000
Total	717,933	709,166

26 Other Expenses	Year Ended	
	March 31, 2015	March 31, 2014
Sub-contracting /Jobbing expenses	-	65,211,177
Electricity Charges	-	337,495
Freight Outward	-	1,334,898
Freight and Forwarding expenses	-	1,712,293
Rent	-	120,000
Rates and Taxes	43,708	83,138
Insurance	-	214,422
Repairs and Maintenance	-	-
Others	-	540,027
Office Maintenance	-	229,784
Vehicle Maintenance Expenses	-	201,326
Advertisement Expenses	148,994	39,983,179
Sales Commission	-	1,163,742
Travelling and Conveyance	-	6,178,046
Communication Costs	-	23,721
Printing and Stationery	-	818,241
Legal and Professional fees	132,980	631,397
Dealers Incentive	-	15,247,014
Payment to auditor (refer note below)	93,259	95,506
Quality Development expenses	-	579,838
Loss on Sale of Fixed Assets	-	7,790
VAT/CST Expenses	201,665	-
Miscellaneous Expenses	118,156	602,781
Total	738,762	135,315,795

Payment to Auditor:	Year Ended	
	March 31, 2015	March 31, 2014
As auditor:		
Audit fees & Tax audit fees	84,270	84,270
In other capacity:		
Other services including certification fees	8,989	11,236
Total	93,259	95,506



27.1 In the absence of any confirmation from vendors regarding the status of their registration under the "Micro, Small and Medium Enterprises Development Act 2006" the Company is unable to make provision wherever required under the said Act.

27.2 Contingent Liabilities	Year Ended	
	March 31, 2015	March 31, 2014
Income Tax Demand (Under CIT Appeal (Kolkata)) AY: 2009-10	558,150	558,150
Income Tax Demand (Under CIT Appeal (Kolkata)) AY: 2011-12	220,070	220,070
Income Tax Demand (Under CIT Appeal (Kolkata)) AY: 2012-13	161,870	---
ESI (F.Y 2007-08) (Under Appeal)	39,967	39,967

(a) It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.

27.3 Calculation of Deferred Tax Liabilities:	Deferred tax Liabilities as on 31.03.2015	Deferred tax Liabilities as on 31.3.2014
	Arising on account of difference between Book Value of Depreciable assets as per books of Account and Written Down value for tax purpose	3,699,856
Net Impact taken into Profit & Loss Account	331,852	322,035

27.4 Earnings and Expenditure in foreign currency	Year Ended	
	March 31, 2015	March 31, 2014
	-	-

27.5 Earnings Per Share	Year Ended	
	March 31, 2015	March 31, 2014
(a) Basic		
i). Number of Equity Shares at the beginning of the year.	4100000	4100000
ii) Number of Equity Shares at the end of the year.	4100000	4100000
iii) Weighted average number of Equity Shares Outstanding during the year	4100000	4100000
iv) Face Value of Equity Shares	10.00	10.00
v) Profit after Tax for Equity Shareholders	16,245,982	38,419,265
vi) Basic & Diluted Earnings Per Share (v/iii)	3.96	9.37

27.6 Related Party Disclosures:

As Per Accounting Standard -18 on 'Related Party Disclosure' notified under Section 133 of the Companies Act, 2013, the related Parties of the Companies as Follows:

Holding Company : Rupa & Company Limited
Other Associates: Nil

Particulars	Holding Company		Other Associates	
	2014-15	2013-14	2014-15	2013-14
Purchase	-	90,506,301.00	-	-
Sale	220,404,817.00	316,284,307.00	-	-
Royalty Income	698,407.00	-	-	-

27.7 Business Collaboration with Holding Company

The company has entered into a Business Collaboration Agreement with Holding Company Rupa and Company Limited during the year. Consequently, the business operation of the company has been transferred to the Holding Company with effect from 1st April, 2014 and the Holding Company will pay Royalty in turn.

27.8 Effect of change in depreciation

The transitional change of charging depreciation from the rates prescribed under Schedule XIV of the Companies Act, 1956 to the life prescribed under Schedule II of the Companies Act, 2013 has resulted in increase in depreciation by Rs. 46,356 and the profit from the same amount has been reduced.



27.9 Previous Year Figures

Figures of previous year have been regrouped/re-arranged wherever considered necessary to confirm to current year's groupings and classifications.

As per our Report of even date.

For K.AGRawal & CO.
Chartered Accountants
Firm Registration No. 306104E

K.C. Agrawal
(CA. K.C.AGRawal)
Partner
Membership No.010277
Place: Kolkata
Dated: The 18th Day of May 2015



Rajnish

RAJNISH AGARWAL
Director

Ramesh

RAMESH AGARWAL
Director