

**IMOOGI FASHIONS
PRIVATE LIMITED**

AACCI 3631G
19/01/2010



ANNUAL REPORT - 2012-13

MITTAL & AGARWAL
Chartered Accountants

DIRECTOR'S REPORT

To the Members,

The Directors have pleasure in presenting their 4th Annual Report together with the Audited Accounts of the Company for the year ended March 31, 2013

FINANCIAL RESULTS

The highlights of the financial result for the year 2012-13 are as follows:-

Particulars	(Amount in ₹)	
	Year ended 31.03.2013	Year ended 31.03.2012
Profit/(Loss) before Tax	17,76,597	39,164
Less : Provision for tax	5,94,084	12,102
Profit/(Loss) After Tax	11,82,513	27,062
Balance brought forward	60,015	32,953
Balance Carried to Balance Sheet	12,42,528	60,015

DIVIDEND

Considering that there was inadequate profit during the year under review and to conserve cash, your directors do not propose any dividend.

DEPOSITS

Your company has not accepted any deposit within the meaning of section 58A of the Companies Act, 1956 and the rule made there under. As such no amount was outstanding as of the balance sheet date.

DIRECTORS

Mr. Ramesh Agarwal, director retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

AUDITORS

The Auditors M/s Mittal & Agarwal, Chartered Accountants retire at the ensuring Annual General Meeting and being eligible offer themselves for reappointment.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956, your Directors state that:

- (a) In the preparation of the Annual Accounts, the applicable accounting standards have been followed and that there are no material departures ;
- (b) We have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the State of Affairs of the Company at the end of the financial year 2012 – 2013, and of the profit of the Company for that period ;
- (c) We have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities ;
- (d) The Annual Accounts have been prepared on a going concern basis.

PARTICULARS OF EMPLOYEES

No employee of the Company was in receipt of remuneration which requires disclosures under Section 217(2A) of the Companies Act, 1956 and the Rules made therein.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO

The Companies (Disclosure of Particulars in Report of the Board of Directors) Rule, 1988 do not apply and hence no disclosure has been made in this Report. The Company has had no foreign exchange earnings or outgo.

APPRECIATION

The Directors place on record their appreciation for the co-operation and assistance received from the company's bankers, employees and other associates.

Place: Kolkata

Date: 28th May, 2013

For and on behalf of the Board
Imoogi Fashions Private Limited


.....
Director
Director

Imoogi Fashions Private Limited


.....
Director

INDEPENDENT AUDITOR'S REPORT

TO
THE MEMBERS OF
IMOOGI FASHIONS PRIVATE. LIMITED.

1. Report on the Financial Statements

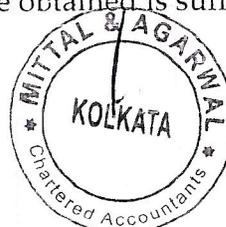
We have audited the accompanying financial statements of **M/S. Imoogi Fashions Private Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2013 and the Statement of Profit and Loss for the year ended on that day, and a summary of significant accounting policies and other explanatory information.

2. Management's Responsibility for the Financial Statements

Management is responsible for the preparation 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 Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control 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.

3. Auditor's Responsibility

- 3.1 Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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.
- 3.2 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
- 3.3 We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the said accounts 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:

(a) In the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2013;
and,

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

5. Report on Other Legal and Regulatory Requirements

5.1 The Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, is not applicable to the company and hence no comments have been given by us on the matters specified in paragraphs 4 and 5 of the Order.

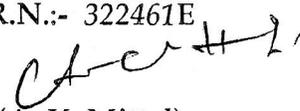
5.2 As required by section 227(3) of the Act, we report that:

- i. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- ii. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- iii. The Balance Sheet and Statement of Profit and Loss dealt with by this Report are in agreement with the books of account;
- iv. In our opinion, the Balance Sheet and Statement of Profit and Loss comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
- v. On the basis of written representations received from the directors as on 31st March, 2013 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For MITTAL & AGARWAL

Chartered Accountants

F.R.N.:- 322461E


(A. K. Mittal)

Partner

Membership Number: 056496



Place: KOLKATA

Date : 28/05/2013

IMOOGI FASHIONS PRIVATE LIMITED

Balance Sheet as at 31st March, 2013			
	Note	As At	
		March 31, 2013	March 31, 2012
Equity & Liabilities			
Shareholders' Funds			
Share Capital	3	100,000	100,000
Reserves & Surplus	4	1,242,528	60,015
Total Shareholders' Funds (i)		1,342,528	160,015
Current Liabilities			
Short Term Borrowings	5	15,069,036	9,793,412
Trade Payables	6	860,211	53,342
Other Current Liabilities	7	1,389,733	1,515,326
Total Current Liabilities (ii)		17,318,980	11,362,080
Total Equity & Liabilities (i)+(ii)		18,661,508	11,522,095
Assets			
Non Current Assets			
Other Non Current Assets	8	6,714	13,428
Total Non Current Assets (iii)		6,714	13,428
Current Assets			
Inventories	9	13,600,744	10,462,590
Trade Receivables	10	2,488,360	931,503
Cash & Bank Balances	11	2,394,851	38,309
Short Term Loans & Advances	12	170,839	76,265
Total Current Assets (iv)		18,654,794	11,508,667
Total Assets (iii)+(iv)		18,661,508	11,522,095

The notes are an integral part of these financial statements

As per our Report of even date.

For Mittal & Agarwal
Chartered Accountants
Firm Registration No. 322461E



(CA. A. K. Mittal)
Partner

Membership No. 056496

Place: Kolkata

Dated: 28th May, 2013

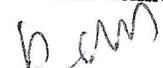


Imoogi Fashions Private Limited



Director

Director
Imoogi Fashions Private Limited



Director
Director

IMOOGI FASHIONS PRIVATE LIMITED
Statement of Profit & Loss for the Year Ended 31st March, 2013

	Year Ended	
	March 31, 2013	March 31, 2012
Revenue		
Revenue From Operations (Gross)	9,728,032	1,592,509
Less: Excise Duty	413,274	118,015
Revenue From Operations (Net)	9,314,758	1,474,494
Other Income	12,389	4,000
Total Revenue	9,327,147	1,478,494
Expenses		
Cost of materials consumed	10,271,910	1,303,062
Purchases of Stock in trade/Finished Goods	11,860	
Changes in inventories of Finished Goods, Work-in-progress and stock-in-trade	(6779378)	(1785225)
Employee Benefits Expense	914,665	1,150,951
Finance Cost	70,095	2,283
Other expenses	3,061,398	768,259
Total Expenses	7,550,550	1,439,330
Profit before exceptional and extraordinary items and tax	1,776,597	39,164
Exceptional Items		
Profit before extraordinary items and tax	1,776,597	39,164
Extraordinary Items		
Profit before tax	1,776,597	39,164
Tax Expense		
Current Tax	594,084	12,102
Deferred Tax		
Adjustment of Earlier Year provision		
Profit/(Loss) for the period from continuing operations	1,182,513	27,062
Profit/(Loss) for the period	1,182,513	27,062
Earnings per Equity Share:		
(Nominal value per equity share Rs 10/-)	118.25	2.71
Basic (Including Extraordinary items)	118.25	2.71
Diluted (Including Extraordinary items)	118.25	2.71
Basic (excluding Extraordinary items, net of tax expense)	118.25	2.71
Diluted (excluding Extraordinary items, net of tax expense)	118.25	2.71

The notes are an integral part of these financial statements

Imoogi Fashions Private Limited

(Signature)

Director

Imoogi Fashions Private Limited

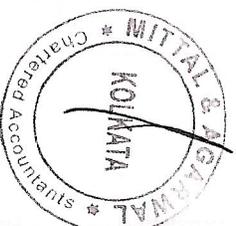
(Signature)

Director

(CA. A. K. Mittal)
Partner
Membership No. 056496

Place: Kolkata

Dated: 28th May, 2013



NOTES TO THE FINANCIAL STATEMENTS

1 General Information:

Imoogi Fashions Private Limited (the Company) is a 100% subsidiary of Rupa & Company Limited and is engaged in manufacturing, processing and selling hosiery and outer fashion wear products, especially for children between the ages of 0-12 years under the brand name "IMOOGI". It caters to redefine the upscale children's clothing market by providing the freshest blend of unique wearable designs featuring a mix of urban chic and high end fashion for both boys and girls.

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 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] and the other relevant provisions of the Companies Act, 1956.

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 VI to the Companies Act, 1956. 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.

2.2 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.

2.3 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.

2.4 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 trade discounts, rebates, sales taxes and excise duties.

2.5 Other Income

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

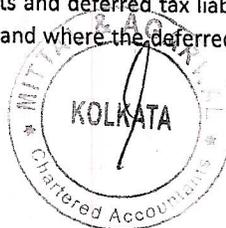
Dividend: Dividend income is recognised when the right to receive dividend is established.

2.6 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.



2.7 Earnings Per Share

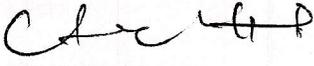
Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period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

2.8 Unamortised Expenditure

Preliminary Expenses have been equally amortised over the period of five years from the year in which the company will start its operation.

As per our Report of even date.

For Mittal & Agarwal
Chartered Accountants
Firm Registration No. 322461E


(CA. A. K. Mittal)
Partner
Membership No. 056496

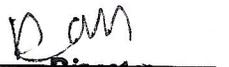


Dated: 28th May, 2013
Place: Kolkata

Imoogi Fashions Private Limited


Director

Imoogi Fashions Private Limited Director


Director

NOTES TO THE FINANCIAL STATEMENTS

	Year Ended	
	March 31, 2013	March 31, 2012
3 Share Capital		
Authorised: 100000 Equity Shares of `10/- each	1,000,000	1,000,000
Issued: 10000 Equity Shares of `10/- fully Paid Up in cash	100,000	100,000
Subscribed and paid up: 10000 Equity Shares of `10/- fully Paid Up in cash	100,000	100,000
	100,000	100,000
(a) Reconciliation of number of shares		
Balance as at the beginning of the year	10,000	10,000
Balance as at the close of the year	10,000	10,000
(b) Rights, preferences and restrictions		

1. By Mr. Ramesh Agarwal jointly with Rupa & Company Limited	5,000	5,000
2. By Mr. Vikash Agarwal as nominee of Rupa & Company Limited		5,000
	5,000	5,000

(d) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Rupa & Company Limited	March 31, 2013		March 31, 2012	
	No of Shares	%	No of Shares	%
	10,000	100	10,000	100
The above shares are held as :				
1. By Mr. Ramesh Agarwal jointly with Rupa & Company Limited	5,000	50	5,000	50
2. By Mr. Vikash Agarwal as nominee of Rupa & Company Limited				
Total	5,000	50	5,000	50
	10,000	100	10,000	100

*Includes sharers held as nominee

(e) Shares reserved for issue under options and contracts/commitments for the sale of shares/disinvestment,

Nil

Nil

(f) Shares allotted as fully paid up by way of bonus shares (during 5 years immediately preceding March 31, 2012):

Nil

Nil

(g) Shares allotted as fully paid up pursuant to contract(s) without payment being received in cash (during 5 years immediately preceding March 31, 2012):

Nil

Nil



4 Reserves & Surplus	Year Ended			
	March 31, 2013		March 31, 2012	
	Surplus in Statement of Profit & Loss: Balance as at the beginning of the year	60,015		32,953
Add: Profit for the year	1,182,513	1,242,528	27,062	60,015
Total Reserves & Surplus		1,242,528		60,015

5 Short-term Borrowings	Year Ended			
	March 31, 2013		March 31, 2012	
	Unsecured: Loan From Related Parties		15,069,036	
Total Short term borrowings		15,069,036		9,793,412

a). Nature of Security and terms of payment for borrowings	
Borrowings	Terms of Payment
The Unsecured Loan is taken from Holding Company Rupa & Company Limited	Interest Free Loan repayable on demand

6 Trade Payables	Year Ended			
	March 31, 2013		March 31, 2012	
	Trade payables (including acceptances)		860,211	
Total Trade Payables		860,211		53,342

7 Other Current Liabilities	Year Ended			
	March 31, 2013		March 31, 2012	
	Advances from customers		440,093	
Employee Benefits payable		-		-
Provision of Income tax Net of Advance		594,084		12,102
Statutory Dues		53,368		2,228
Temporary Overdraft from Bank Due to Reconciliation		-		1,318,672
Other Liabilities		302,188		42,070
Total		1,389,733		1,515,326

8 Other Non-Current assets	Year Ended			
	March 31, 2013		March 31, 2012	
	Unamortised Expenses: Miscellaneous Expenditure (To The extent not Written off)		6,714	
Total		6,714		13,428



9 Inventories	Year Ended			
	March 31, 2013		March 31, 2012	
	Raw Materials	4,455,796		8,050,520
Work In Progress	4,689,820		2,365,570	
Finished Goods	4,455,128		-	
Packing Material	-		46,500	
Total	13,600,744		10,462,590	

10 Trade Receivables	Year Ended			
	March 31, 2013		March 31, 2012	
	Unsecured, considered good			
Outstanding for a period exceeding 6 months from the date they are due for payment			-	
Others	2,488,360		931,503	
	2,488,360		931,503	

11 Cash and Bank Balances Cash and Cash equivalents	Year Ended			
	March 31, 2013		March 31, 2012	
	Cash on hand	37,304		38,309
Bank balances In current accounts	2,357,547			
	2,394,851		38,309	

12 Short-term loans and advances	Year Ended			
	March 31, 2013		March 31, 2012	
	Advances Recoverable in Cash or kind	170,839		34,382
Others			41,883	
	170,839		76,265	



13 Revenue	Year Ended			
	March 31, 2013		March 31, 2012	
	Revenue from Operations:			
Sale of products				
Finished goods	9,728,032	9,728,032	1,592,509	1,592,509
<i>Other Operating Revenue</i>		-		-
Revenue from Operations (Gross)		9,728,032		1,592,509
Less: Excise Duty		413,274		118,015
Revenue from Operations (Net)		9,314,758		1,474,494
Note: Excise Duty on sales amounting to Rs. (P.Y. 31 March, 2013 is Rs.413274) has been reduced from sales in profit and loss account.				

Details of product sold	Year Ended			
	March 31, 2013		March 31, 2012	
	Finished Goods Sold			
Knitwear		8,681,326		1,556,989
Than		1,046,706		35,520
		9,728,032		1,592,509

14 Other Income	Year Ended			
	March 31, 2013		March 31, 2012	
	Miscellaneous Income		12,389	
		12,389		4,000

15 Cost of materials consumed	Year Ended			
	March 31, 2013		March 31, 2012	
	Raw material consumed			
Opening inventory		8,050,520		3,185,406
Add : Purchases (net)		6,400,845		6,124,359
Less : Inventory at the end of the year		4,455,796		8,050,520
Cost of raw materials consumed during the year		9,995,569		1,259,245
Packing material consumed				
Opening inventory		46,500		10,817
Add : Purchases (net)		229,841		79,500
Less : Inventory at the end of the year		-		46,500
Cost of packing materials consumed during the year		276,341		43,817
Total		10,271,910		1,303,062

Details of Raw Materials Consumed	Year Ended			
	March 31, 2013		March 31, 2012	
	Yarn & Than		9,995,569	
		9,995,569		1,259,245

16 Changes in inventory of finished goods and work in progress (Increase)/Decrease in stocks	Year Ended			
	March 31, 2013		March 31, 2012	
	Stock at the end of the year:			
Finished Goods		4,455,128		-
Work-in progress		4,689,820		2,365,570
Total A		9,144,948		2,365,570
Less: Stock at the beginning of the year:				
Finished Goods		-		580,345
Work-in progress		2,365,570		-
Total B		2,365,570		580,345
Increase/Decrease in Stocks (B-A)		(6779378)		(1785225)
Details of Purchase of Traded Goods:				
Knit Wear				
Details of Inventory				
Work-in-Progress				
Knit wear		4,689,820		2,365,570
Finished Goods				
Knit wear		4,455,128		-



17 Employee Benefits Expenses	Year Ended			
	March 31, 2013		March 31, 2012	
	Salaries, Wages and Bonus	914,665		1,150,951
	914,665		1,150,951	

18 Finance Costs	Year Ended			
	March 31, 2013		March 31, 2012	
	Bank Charges	482		2,283
Interest	69,613		-	
	70,095		2,283	

19 Other Expenses	Year Ended			
	March 31, 2013		March 31, 2012	
	Sub-contracting /Jobbing expenses			
Knitting Charges	4,371		642,863	
Processing Charges	513,378		-	
Printing Charges	735,160		-	
(Increase)/Decrease of excise duty on inventory	750,228		-	
Carriage Inward	-		-	
Carriage Outward	1,019		-	
Delivery charges	9,140		-	
Freight and Forwarding expenses	-		1,770	
Rates and taxes	-		1,795	
Advertising and Sales promotion	67,076		14,974	
Printing & Stationery	177,656		7,500	
Sampling Charges	6,400		-	
Legal and professional fees	546,479		-	
Filling Fees	69,218		-	
Conveyance	1,500		-	
Payment to auditor	1,364		-	
Quality & Marketing Development expenses	9,551		7,500	
General Expenses	112,131		84,144	
Professional Tax	47,513		1,000	
Miscellaneous expenses written off	2,500		-	
	6,714		6,713	
	3,061,398		768,259	



20 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.

21 Earnings Per Share	Year ended	
	March 31, 2013	March 31, 2012
(a) Basic		
i) Number of Equity Shares at the beginning of the year.	10000	10000
ii) Number of Equity Shares at the end of the year.	10000	10000
iii) Weighted average number of Equity Shares Outstanding during the year	10000	10000
iv) Face Value of Equity Shares	10	10
v) Profit after Tax for Equity Shareholders	1,182,513	27,062
vi) Basic/ Diluted Earnings Per Share (v/iii)	118.25	2.71

22 Related Party Disclosures:

As per Accounting Standard- 18 on 'Related Party Disclosure' notified under sub-section 3© of Section 211 of the Companies Act, 1956, the related parties of the Companies Act, are as follows

Holding Company : Rupa & Company Limited
Other Associates: NIL

Particulars	Holding Company		Other Associates	
	2012-13	2011-12	2012-13	2011-12
Interest free Loans & Advances	15,069,036	9,793,412	-	-
Purchase of Yarn	3,073,649	-	-	-
Purchase of Finished Goods	11,860	-	-	-

As per our Report of even date.

For Mittal & Agarwal.
Chartered Accountants
Firm Registration No. 322461E

(CA. A. K. Mittal)
Partner
Membership No. 056496

Dated: 28th May, 2013
Place: Kolkata



Imoogi Fashions Private Limited

[Signature]
Director

Imoogi Fashions Private Limited

[Signature]
Director

