

VPM's
DR VN BRIMS, Thane
 Programme: **PGP (2014-15)**
First Semester Examination December 2014

Subject	Financial & Cost Accounting		
Roll No.		Marks	60 Marks
Total No. of Questions	7	Duration	3 Hours
Total No. of printed pages	2	Date	14.12.2014

Note: Q1 is compulsory and solve any FOUR from the remaining SIX questions.

Q1) 20 Marks (Compulsory)

Attached herewith are the audited financials of Raymond Limited.

Assume Market Price of its share at Rs.300 per share on the BSE as on date.

You are required to calculate the following (only for FY2013-14):

Profitability Ratios:		
1. EBITDA margin		
2. Profit Before Tax margin		
3. Profit After Tax margin		
4. Return on Capital Employed		
5. Return on Equity		
Liquidity Ratios:		
6. Current Ratio		
7. Quick Ratio		
Leverage Ratios:		
8. Debt/Equity Ratio		
9. Interest Coverage Ratio		
10. Debt Service Coverage Ratio		
Efficiency Ratios:		
11. Debtors Turnover Ratio		
12. Creditors Turnover Ratio		
13. Fixed Assets Turnover Ratio		
Capital Market Parameters:		
14. EPS		
15. DPS		
16. Price to Earnings Ratio		
17. Dividend Payout Ratio		
18. Dividend Yield Ratio		
19. Book Value Per Share		
20. Market Capitalisation		

Attempt Any FOUR from the Remaining SIX Questions

Q2) Any two from (a) or (b) or (c) ————— (5x2) = 10 Marks

Please calculate any 2 out of 3 by referring to FY2014 financials of Raymond Limited:

Sr.	Solve any 2 out of the 3 below	Rs.in lakhs
1	Net Worth	
2	Debt	
3	Capital Employed	

Q3) Any two from (a) or (b) or (c) ————— (5x2) = 10 Marks

Please calculate any 2 out of 3 by referring to FY2014 financials of Raymond Limited:

Sr.	Solve any 2 out of the 3 below	Rs.in lakhs
1	EBITDA	
2	Net Cash from Operating activities	
3	Net Cash from Financing activities	

Q4) Any two from (a) or (b) or (c) ————— (5x2) = 10 Marks

Kelvinator India Limited, manufacturing refrigerators in its Gujarat plant, states that:

Standard:

- Production of 100 refrigerators in 10 hours
- Labour O/H Cost = Rs.50 per hr

Actual:

- Output = 10,000 refrigerators
- Total Variable Cost= Rs.55,000 for 1,100 hours

Sr.	Solve any 2 out of the 3 below	
1	Variable O/H Cost Variance	
2	Variable O/H Rate Variance	
3	Variable O/H Efficiency Variance	

Q5) Any two from (a) or (b) or (c) ————— (5x2) = 10 Marks

Raj Private Limited, a manufacturing concern, states that:

Standard:

- The company produces 500 units in 100 hours
- Labour Rate = Rs.100 per hour

Actual:

- Output = 5,000 units
- Total Labour Cost= Rs.99,000 for 1,100 hours

Sr.	Solve any 2 out of the 3 below	
1	Labour Cost Variance	
2	Labour Rate Variance	
3	Labour Efficiency Variance	

Q6) Any two from (a) or (b) or (c) ————— (5x2) = 10 Marks

Kiran Manufacturing Company states that:

- Sales Rs. 5,00,000
- Variable Cost 70%
- Profit Rs. 70,000

Sr.	Solve any 2 out of the 3 below	
1	Contribution margin	
2	Fixed Cost	
3	Target Sales to earn a Profit of Rs.1,00,000	

Q7) Any two from (a) or (b) or (c) ————— (5x2) = 10 Marks

Sudha International Limited provides the following information:

- Break Even Sales = Rs.50,000
- Variable Cost Rs.60 per unit
- Fixed Cost Rs. 20,000

Sr.	Solve any 2 out of the 3 below	
1	Contribution margin	
2	Profit when Sales = 1,00,000	
3	New Break Even point if Selling Price is reduced by 10%	

BALANCE SHEET AS AT 31ST MARCH, 2014

(₹ in lacs)

Particulars	Note No.	As at 31st March, 2014	As at 31st March, 2013
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	1	6138.08	6138.08
(b) Reserves and surplus	2	103940.34	96957.96
2 Non-current liabilities			
(a) Long-term borrowings	3	92218.14	68373.82
(b) Other Long term liabilities	4	11123.92	10402.61
3 Current liabilities			
(a) Short-term borrowings	5	31656.10	32235.56
(b) Trade payables		23571.35	27071.59
(c) Other current liabilities	6	31091.96	57111.90
(d) Short-term provisions	7	4378.13	3819.63
TOTAL		<u>304118.02</u>	<u>302111.15</u>
II. ASSETS			
1 Non-current assets			
(a) Fixed assets	8		
(i) Tangible assets		67238.54	83282.66
(ii) Intangible assets		139.70	145.30
(iii) Capital work-in-progress		15771.51	14487.57
(b) Non-current investments	9	38608.21	35034.93
(c) Deferred tax assets (net)	10	-	-
(d) Long-term loans and advances	11	26117.27	25499.13
(e) Other non-current assets	12	2492.08	2492.08
2 Current assets			
(a) Current investments	13	38410.01	39450.04
(b) Inventories	14	55185.52	50298.54
(c) Trade receivables	15	48044.88	41625.54
(d) Cash and Bank balances	16	5157.65	1825.47
(e) Short-term loans and advances	17	4702.79	5350.19
(f) Other current assets	18	2249.86	2619.70
TOTAL		<u>304118.02</u>	<u>302111.15</u>
The notes form an integral part of these financial statements			

As per our Report of even date

For DALAL & SHAH
Chartered Accountants
Firm Registration Number : 102021W

S. Venkatesh
Partner
Membership No. 037942

Mumbai, 30th April, 2014

M. SHIVKUMAR
Chief Financial Officer

THOMAS FERNANDES
Director-Secretarial &
Company Secretary

Mumbai, 30th April, 2014

GAUTAM HARI SINGHANIA
Chairman and Managing Director

H. SUNDER
Whole-time Director

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2014

(₹ in lacs)

Particulars	Note No.	Year ended 31st March, 2014	Year ended 31st March, 2013
I. Revenue from operations (gross)	19	218590.96	203451.25
Less : Excise Duty		<u>(31.97)</u>	<u>(212.48)</u>
		218558.99	203238.77
II. Other income	20	<u>9095.24</u>	<u>9320.42</u>
III. Total Revenue (I + II)		227654.23	212559.19
IV. Expenses:			
Cost of materials consumed	21	62802.44	61429.85
Purchases of Stock-in-Trade	22	22810.77	14767.18
Manufacturing and Operating Costs	23	43307.51	42759.29
Changes in inventories of finished goods, work-in-progress and stock-in-trade	24	<u>(5904.33)</u>	<u>(3578.87)</u>
Employee benefits expense	25	27623.33	28007.24
Finance costs	26	15341.72	15610.62
Depreciation and amortization expense		11450.21	11602.19
Other expenses	27	<u>43761.49</u>	<u>42643.92</u>
Total expenses		221193.14	213241.42
V. Profit/(Loss) before exceptional items and tax (III-IV)		6461.09	(682.23)
VI. Exceptional items (Net)	28	<u>2355.99</u>	<u>(3384.35)</u>
VII. Profit/(Loss) before tax (V- VI)		8817.08	(4066.58)
VIII. Tax expense:			
(1) Current tax		-	-
(2) Deferred tax	10	-	(717.44)
(3) Tax in respect of earlier years		<u>(4.74)</u>	<u>-</u>
IX. Profit/(Loss) for the year (VII-VIII)		<u>8812.34</u>	<u>(4784.02)</u>
X. Earnings per equity share of ₹ 10 each			
(1) Basic (₹)		14.36	(7.79)
(2) Diluted (₹)		14.36	(7.79)
Weighted average number of shares outstanding		<u>61380854</u>	<u>61380854</u>
The notes form an integral part of these financial statements			

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Firm Registration Number : 102021W

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H. SUNDER
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Mumbai, 30th April, 2014

Mumbai, 30th April, 2014

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

(₹ in lacs)

	Year Ended 31st March, 2014	Year Ended 31st March, 2013
A. Cash Flow arising from Operating Activities:		
Profit/(Loss) before Exceptional Items and tax as per Statement of Profit and Loss	6461.09	(682.23)
Add/(Deduct):		
a) Bad Debts, Advances, Claims and deposits written off (Net)	4.36	80.79
b) Provision no longer required	(449.88)	(1251.96)
c) Provision for Diminution in value of investments	458.81	23.78
d) Depreciation and Amortisation expense	11450.21	11602.19
e) Finance costs	15341.72	15610.62
f) Surplus on disposal of Assets (Net)	(8.82)	(63.62)
g) Interest Income	(3010.27)	(3026.84)
h) Dividend Income	(93.55)	(712.99)
i) Surplus on sale of Investments (Net)	(3079.16)	(1940.05)
	<u>20613.42</u>	<u>20321.92</u>
Operating Cash Profit before Working Capital Changes	27074.51	19639.69
Add/(Deduct):		
a) Increase/(Decrease) in Trade and other Payable	(11921.08)	8962.31
b) (Increase) in Trade and Other Receivables	(6739.02)	(5220.88)
c) (Increase) in Inventories	(5120.77)	(5373.31)
	<u>(23780.87)</u>	<u>(1631.88)</u>
Cash Flow from Operations	3293.64	18007.81
Deduct:		
Direct Taxes (Net)	(1997.13)	(878.10)
Net Cash Inflow in the course of Operating Activities	1296.51	17129.71
Deduct: Exceptional Items (Net)	-	3175.05
Net Cash Inflow in the course of Operating Activities after Exceptional Items	1296.51	13954.66
B. Cash Flow arising from Investing Activities:		
Inflow:		
a) Sale of Fixed Assets	546.75	681.50
b) Interest Received	3514.94	3161.76
c) Dividend Received	93.55	712.99
d) Sale of Long Term Investments	1682.26	114.30
e) Sale of Current Investments (Net)	3739.25	2857.00
f) Proceeds from divestment of suit unit (Refer Note 44)	505.00	-
	<u>10081.75</u>	<u>7527.55</u>
Outflow:		
a) Acquisition of Fixed Assets	4600.42	9494.72
b) Investment in Subsidiaries	505.00	15.30
c) Purchase of Non-Current Investments	450.00	1009.59
	<u>5555.42</u>	<u>10519.61</u>
Net Cash Inflow / (Outflow) in the course of Investing Activities	4526.33	(2992.06)
C. Cash Flow arising from Financing Activities:		
Inflow:		
a) Proceeds from Long Term Loans / Debentures	45512.00	28119.93
b) Proceeds from other Borrowings (Net)	-	6528.54
	<u>45512.00</u>	<u>34648.47</u>
Outflow:		
a) Repayment of Long Term Loans	34394.24	29533.20
b) Repayment of Short Term Borrowings (Net)	579.46	-
c) Finance Charges (Net)	15312.67	13763.94
d) Dividend Paid	631.33	1534.31
e) Dividend Distribution Tax	99.58	248.94
	<u>51017.28</u>	<u>45080.39</u>
Net Cash (Outflow) in the course of Financing Activities	(5505.28)	(10431.92)
Net Increase in Cash/Cash Equivalents (A+B+C)	317.56	530.68
Add: Balance at the beginning of the year	1731.52	1192.08
Add: Cash and Cash Equivalents acquired on account of demerger (Refer Note 42)	-	8.76
Less: Cash and Cash Equivalents on account of divestment of Suit unit (Refer Note 44)	(9.40)	-
Cash and Cash Equivalents at the close of the year (Refer Note 16)	<u>2039.68</u>	<u>1731.52</u>
The notes form an integral part of these financial statements		

As per our Report of even date

For DALAL & SHAH
Chartered Accountants
Firm Registration Number : 102021W

M. SHIVKUMAR
Chief Financial Officer

GAUTAM HARI SINGHANIA
Chairman and Managing Director

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Partner
Membership No. 037942

THOMAS FERNANDES
Director-Secretarial &
Company Secretary

H. SUNDER
Whole-time Director

Mumbai, 30th April, 2014

Mumbai, 30th April, 2014

NOTES TO THE FINANCIAL STATEMENTS

(₹ in lacs)

Note 1 - Share Capital

	As at 31st March, 2014	As at 31st March, 2013
Authorised		
10,00,00,000 (Previous year 10,00,00,000) Equity Shares of ₹ 10 each	<u>10000.00</u>	<u>10000.00</u>
Issued		
6,13,80,854 (Previous year 6,13,80,854) Equity Shares of ₹ 10 each	<u>6138.08</u>	<u>6138.08</u>
Subscribed & Paid up		
6,13,80,854 (Previous year 6,13,80,854) Equity Shares of ₹ 10 each	<u>6138.08</u>	<u>6138.08</u>
Total	<u>6138.08</u>	<u>6138.08</u>

Note 1 (a) Reconciliation of number of shares

Particulars	As at 31st March, 2014		As at 31st March, 2013	
	No. of Shares held	₹ in lacs	No. of Shares held	₹ in lacs
Equity shares:				
Shares at the beginning of the year	61380854	6138.08	61380853	6138.08
Add: Shares issued during the year (Refer Note 42)	-	-	1	-
Shares at the end of the year	<u>61380854</u>	<u>6138.08</u>	<u>61380854</u>	<u>6138.08</u>

* ₹10/-

Note 1 (b) Rights, Preferences and restrictions attached to Equity Shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each Shareholder is eligible for one vote per share. The dividend proposed by the Board of Directors is subject to the approval of shareholders, 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 of their shareholding.

Note 1 (c) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company:

Name of the Shareholder	As at 31st March, 2014		As at 31st March, 2013	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
J.K. Investors (Bombay) Limited	16826419	27.41	16571419	27.00
Life Insurance Corporation of India	4749592	7.74	4749592	7.74
J.K.Helene Curtis Limited	3206208	5.22	-	-

Note 1 (d) 1 Equity Share of ₹ 10 has been issued to the shareholder of Raymond Woollen Outerwear Limited in consideration for demerger without payment being received in cash (Refer Note 42).

Note 2 - Reserves and Surplus

	As at 31st March, 2014	As at 31st March, 2013
a. Capital Reserves		
Balance as per last account	<u>2131.95</u>	<u>2131.95</u>
b. Capital Redemption Reserve		
Balance as per last account	<u>1371.01</u>	<u>1371.01</u>
c. Debenture Redemption Reserve		
Opening Balance	-	-
Add : Amount transferred from Surplus in Statement of Profit and Loss (Refer Foot Note 2(a))	<u>4500.00</u>	-
Closing Balance	<u>4500.00</u>	-
d. Securities Premium Account		
Opening Balance	14598.89	14778.55
Less : Amounts utilised for expenses on issue of Debentures	<u>(249.05)</u>	<u>(179.66)</u>
Less : Premium payable on redemption of Debentures	<u>(144.66)</u>	-
Closing Balance	<u>14205.18</u>	<u>14598.89</u>

NOTES TO THE FINANCIAL STATEMENTS

(₹ in lacs)

Note 2 - Reserves and Surplus (Contd...)

	As at 31st March, 2014	As at 31st March, 2013
e. General Reserve		
Opening Balance	78856.11	82722.40
Add/(Less): Transferred (to)/from Surplus in Statement of Profit and Loss	881.23	(2209.36)
Add/(Less): On Demerger (Refer Note 42)	-	(1656.93)
Closing Balance	<u>79737.34</u>	<u>78856.11</u>
f. Surplus in Statement of Profit and Loss		
Opening balance	-	3288.05
Add/(Less): Net Profit/(Net Loss) for the year	8812.34	(4784.02)
Transfer (to) Debenture Redemption Reserve	(4500.00)	-
Transfer from/(to) General Reserve	(881.23)	2209.36
Proposed Dividend#	(1227.62)	(613.81)
Tax on proposed Dividend	(208.63)	(99.58)
Closing Balance	<u>1994.86</u>	<u>-</u>
Total	<u>103940.34</u>	<u>96957.96</u>

Dividend proposed to be distributed to equity shareholders is ₹ 2.00 (Previous year ₹ 1.00) per equity share

Note 2 (a) Debenture Redemption Reserve

In view of the loss in the previous year, the Company had not created Debenture Redemption Reserve in respect of Unsecured Debentures aggregating ₹ 17500 lacs.

Note 3 - Long Term Borrowings

Secured

Term loans
From banks

46218.14	40873.82
<u>46218.14</u>	<u>40873.82</u>

Unsecured

(a) **Term loan**
From banks

9500.00	10000.00
<u>36500.00</u>	<u>17500.00</u>

(b) **Debentures**

46000.00	27500.00
<u>92218.14</u>	<u>68373.82</u>

Total

Nature of Security and terms of repayment for Long Term secured borrowings:

Nature of Security	Terms of Repayment
i. Term loan amounting to ₹ Nil (March 31, 2013; ₹ 2566.06 lacs) is secured by a first charge on the entire immovable assets at Gauribidnur Plant and exclusive first charge on the entire movable assets located at Gauribidnur Plant. As part of transfer of the unit to wholly owned subsidiary Silver Spark Apparel Ltd (SSAL), with effect from 1st October, 2013, the satisfaction of charge with Registrar of Companies in respect of the said loan is under process.	Repayable in 32 quarterly installments starting from October 2009. Last installment due in July 2017. Rate of interest as at year end. (Previous year 12.75% p.a).*
ii. Term loan amounting to ₹ 13350 lacs (March 31, 2013 : ₹ 13950 lacs) is secured by pari passu charge on the entire immovable assets at Vapi Plant and exclusive first charge on the entire movable assets acquired out of the loans from the bank, located at Vapi Plant.	Repayable in 32 quarterly installments starting from September 2011. Last installment due in June 2019. Rate of interest 12.50% p.a. as at year end. (Previous year 12.75% p.a).*
iii. Term loan amounting to ₹ 2655.21 lacs (March 31, 2013; ₹ 2795.21 lacs) is secured by a first and exclusive charge on movable assets acquired out of the loan.	Repayable in 32 quarterly installments starting from June 2011. Last installment due in March 2019. Rate of interest 12.50% p.a. as at year end. (Previous year 12.25% p.a).*

NOTES TO THE FINANCIAL STATEMENTS

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|--|---|
| <p>iv. Term loan amounting to ₹ 7452 lacs (March 31,2013: ₹ 7832 lacs) is secured by pari passu charge on the entire immovable assets at Vapi Plant and exclusive first charge on the entire movable assets acquired out of the loans, located at the Vapi Plant.</p> | <p>Repayable in 32 quarterly installments starting from September 2011. Last installment due in June 2019. Rate of interest 12.50% p.a. as at year end. (Previous year 12.50% p.a.)*</p> |
| <p>v. Term loan amounting to ₹ Nil (March 31,2013: ₹ 731.96 lacs) is secured by Specific and exclusive charge on all assets acquired under the loan at Thane, Jalgaon and Chhindwara Plants.</p> | <p>Repayable in 14 half yearly installments starting from October 2007. Last installment due in March 2014. Rate of interest 8.31% p.a. as at year end.(Previous Year 8.31% p.a.)*</p> |
| <p>vi. Term loan amounting to ₹ 4872.52 lacs (March 31,2013: ₹ 6772.53 lacs) is secured by pari passu charge on the immovable assets at Vapi Plant and exclusive charge on movable assets acquired under the loan, at Vapi Plant.</p> | <p>Repayable in 32 equal quarterly installments commencing from June 2009. Last installment due in December 2016. Rate of interest 10.20% p.a. as at year end.(Previous Year 10.25% p.a.)*</p> |
| <p>vii. Term loan amounting to ₹ Nil (March 31,2013: ₹ 1268.75 lacs) is secured by exclusive charge on the specific assets and pari passu charge over the immovable assets at Vapi Plant.</p> | <p>Repayable in 16 equal half yearly installments starting from October 2007. Last installment due in March 2014. Rate of interest 11.50% p.a. as at year end. (Previous year 11.20% p.a.)*</p> |
| <p>viii. Term loan amounting to ₹ 1546.88 lacs (March 31,2013: ₹ 2062.50 lacs) is secured by exclusive charge on the specific assets and pari passu charge over the immovable assets at Vapi Plant.</p> | <p>Repayable in 16 equal half yearly installments starting from August 2009. Last installment due in February 2017. Rate of interest 11.50% p.a. as at year end. (Previous year 11.20% p.a.)*</p> |
| <p>ix. Term loan from bank amounting to ₹ 2317.02 lacs (March 31,2013: ₹ 2649.02 lacs partial disbursement) is secured by first charge on movable assets including plant and machinery, furniture and fixture and other assets of Captive Power Plant at Vapi and pari passu charge on the immovable assets at Vapi Plant.</p> | <p>Repayable in 32 equal quarterly installments commencing June 2013. Last installment due in March 2020. Rate of interest 12.20% p.a. as at year end. (Previous year 12.25% p.a.)</p> |
| <p>x. Term loan amounting to ₹ Nil (March 31,2013: ₹ 5000 lacs) is partly secured (to the extent of 15%) by first charge on unencumbered plant and machinery and other miscellaneous Fixed Assets located at various plant locations.</p> | <p>Repayable in 3 equal yearly installments starting from March 2012. Last installment was due in March 2014. Rate of interest 11.50% p.a. as at year end. (Previous year 11.50% p.a.)</p> |
| <p>xi. Term loan amounting to ₹ 4600.89 lacs (March 31,2013: ₹ 4833.89 lacs) is secured by exclusive charge on assets created out of Term Loan and second charge on immovable assets at Vapi Plant.</p> | <p>Repayable in 20 quarterly installments starting from November 2013. Last installment due in September 2018. Rate of interest 11.25% p.a. as at year end. (Previous year 11.25% p.a.)*</p> |
| <p>xii. Term loan amounting to ₹ Nil (March 31,2013: ₹ 1350) is secured by exclusive first mortgage and charge on all the movable and immovable assets in respect of the Gauribidnur Plant. As part of the transfer of the unit to wholly owned subsidiary Silver Spark Apparel Ltd (SSAL), with effect from 1st October, 2013, the satisfaction of charge with Registrar of Companies in respect of the said loan is under process.</p> | <p>Repayable in 20 quarterly installments starting from March 2014 and last installment due in December 2017. Rate of interest 12.25% p.a. as at year end. (Previous year 12.75% p.a.)*</p> |
| <p>xiii. Term loan amounting to ₹ 14000 lacs (March 31,2013: Nil) is secured by first pari passu charge on the present and future fixed assets of Chhindwara and Jalgaon factories and retail (moveable fixed assets) and second pari passu charges on the land at Vapi factory. The security creation in favour of the bank is under process.</p> | <p>Repayable in 10 equal quarterly installment starting from January 2016 and last installment due in July 2018. Rate of interest 11.00% p.a. as at year end.</p> |

Terms of repayment for Long Term unsecured borrowings:

Borrowings

Term loans from banks

- ₹ Nil (Previous year ₹ 15000 lacs)
- ₹ 10000 lacs (Previous year ₹ 10000 lacs)
- ₹ 5000 lacs (Previous year Nil)

Privately Placed Non-Convertible Debentures

- ₹ 10000 lacs (Previous year ₹ 10000 lacs)
- ₹ 7500 lacs (Previous year ₹ 7500 lacs)

Terms of Repayment

- Repaid in November 2013. Rate of interest 9.25% p.a. as at year end.
- Repayable in 2 installments due in February 2015 and August 2015. Rate of interest 11.50% p.a. as at year end.
- Repayable in 3 annual installments of ₹ 500 lacs each and thereafter 4 quarterly installments of ₹ 875 lacs each. 1 installment due in March 2015 and Last installment due in March 2018. Rate of interest 11.00% p.a. as at year end.
- Repayable in October 2015. Rate of interest 11.10% p.a. as at year end.
- Repayable in December 2014. Rate of interest 11.00% p.a. as at year end.

NOTES TO THE FINANCIAL STATEMENTS

₹ 10000 lacs (Previous year Nil)

Repayable in June 2016. Rate of interest 10.55% p.a. as at year end.

₹ 3000 lacs (Previous year Nil)

Repayable in November 2015. Rate of interest 11.25% p.a. as at year end.

₹ 3500 lacs (Previous year Nil)

Repayable in November 2016. Redemption premium at a Yield to maturity of 11.30% p.a.

₹ 10000 lacs (Previous year Nil)

Repayable in April 2017. Redemption premium at a Yield to maturity of 11.05% p.a.

Foreign Currency loan

₹ Nil (Previous year ₹ 8158.39 lacs)

Repaid in November 2013. Rate of interest 10.82% p.a. as at year end.

Installments falling due in respect of all the above Loans upto 31.03.2015 aggregating ₹ 17576.38 lacs have been grouped under "Current maturities of long-term debt" (Refer Note 6)

* Rate of Interest is without considering interest subsidy under TUF scheme.

(₹ in lacs)

Note 4 - Other Long Term Liabilities

	As at 31st March, 2014	As at 31st March, 2013
(a) Deposits from Dealers, Agents, etc.	10782.64	10003.92
(b) Premium Payable on redemption of Debentures	144.66	-
(c) Other Payables	196.62	398.69
Total	11123.92	10402.61

Note 5 - Short Term Borrowings

Secured

(a) Working capital loans		
from banks	18616.48	20135.12
(b) Buyers credit arrangements	1330.25	4600.44
(Working capital loan from banks and buyers credit arrangements are secured by hypothecation of inventories, book debts and other current assets.)		
	19946.73	24735.56

Unsecured

(a) Buyers credit arrangements	1209.37	-
(b) By issue of Commercial Papers (Maximum balance outstanding during the year ₹ 23500 lacs (Previous year ₹ 23000 lacs))	10500.00	7500.00
	11709.37	7500.00
Total	31656.10	32235.56

Note 6 - Other Current Liabilities

(a) Current maturities of long-term debt	17576.38	34096.49
(b) Interest accrued but not due on borrowings	2235.45	1812.69
(c) Unclaimed dividends *	75.74	93.27
(d) Unclaimed matured debentures and interest accrued thereon *	0.69	0.69
(e) Statutory Dues	708.09	610.52
(f) Advance against Sales	663.89	516.95
(g) Overdrawn Bank Balances	129.44	349.30
(h) Salary and Wages payables	2742.07	2432.06
(i) Amounts payable, in terms of agreements with registered Workmen Union covering the workmen of the Company's Thane Textile plant.	-	10936.00
(j) Other payables	6960.21	6263.93
Total	31091.96	57111.90

* There are no amounts due for payment to the Investors Education and Protection Fund under Sec. 205C of the Companies Act, 1956 at the year end.

NOTES TO THE FINANCIAL STATEMENTS

(₹ in lacs)

Note 7 - Short Term Provisions

	As at 31st March, 2014	As at 31st March, 2013
(a) Provision for employee benefits (Refer Note 37)	2356.88	2521.24
(b) Other Provisions		
Provision for litigation/dispute *	585.00	585.00
Proposed Dividend	1227.62	613.81
Tax on proposed Dividend	208.63	99.58
Total	4378.13	3819.63

* Provision for litigation/dispute represents claims against the Company that are expected to materialise in respect of matters in litigation.

Note 8 - Fixed Assets

(₹ in lacs)													
	GROSS BLOCK				DEPRECIATION/AMORTISATION/IMPAIRMENT						NET BLOCK		
	Balance as at 1st April, 2013	Acquisition (Refer Note 42) / (Divestment) (Refer Note 44)	Additions / Adjustments	Disposals / Adjustments	Balance as at 31st March, 2014	Upto 1st April, 2013	Acquisition (Refer Note 42) / (Divestment) (Refer Note 44)	Impairment Loss	For the year	Disposals	Upto 31st March, 2014	Balance as at 31st March, 2014	Balance as at 31st March, 2013
(i) Tangible Assets													
Freehold Land	2599.49	(79.41)	-	-	2520.08	-	-	-	-	-	-	2520.08	2599.49
Leasehold Land	498.07	-	-	-	498.07	44.74	-	-	6.14	-	50.88	447.19	453.33
Buildings*	27236.20	(1773.36)	475.55	123.05	25815.34	8826.27	(295.65)	-	891.69	56.59	9365.72	16449.62	18409.93
Plant and Equipment*	127482.31	(4592.74)	1434.91	2277.17	122047.31	77508.13	(840.86)	2099.77	8018.96	1901.96	84884.04	37163.27	49974.18
Furniture and Fixtures	7669.34	(61.40)	878.86	212.31	8274.49	4064.76	(36.51)	-	754.63	182.74	4600.14	3674.35	3604.58
Vehicles	1864.44	(36.60)	446.34	208.14	2066.04	1350.11	(17.76)	-	181.96	147.87	1366.44	699.60	514.33
Office equipment	855.03	-	34.70	73.28	816.45	551.08	-	-	42.90	66.86	527.12	289.33	303.95
Livestock (at book value)	3.77	-	-	-	3.77	-	-	-	-	-	-	3.77	3.77
Boats and water Equipments	7038.94	-	9.66	-	7048.60	4289.10	-	-	402.99	-	4692.09	2356.51	2749.84
Aircraft	9241.09	-	-	-	9241.09	4571.83	-	-	1034.44	-	5606.27	3634.82	4669.26
Total	184488.68	(6543.51)	3280.02	2893.95	178331.24	101206.02	(1190.78)	2099.77	11333.71	2356.02	111092.70	67238.54	83282.66
Previous Year's Total	180460.30	3301.34	6682.01	5954.97	184488.68	93853.74	1162.12	-	11527.25	5337.09	101206.02	83282.66	-
(ii) Intangible Assets													
Computer software	2174.89	-	110.90	-	2285.79	2029.59	-	-	116.50	-	2146.09	139.70	145.30
Total	2174.89	-	110.90	-	2285.79	2029.59	-	-	116.50	-	2146.09	139.70	145.30
Previous Year's Total	2069.87	-	105.02	-	2174.89	1954.65	-	-	74.94	-	2029.59	145.30	-
* Includes assets retired from active use	204.28	-	-	-	-	140.67	-	-	-	-	-	-	63.61
(iii) Capital work-in-progress												15771.51	14487.57
<p>(a) In terms of the acquisition proceedings initiated by Thane Municipal Corporation, about 4,222 sq. meters of the Company's land at Thane is acquired for the purpose of widening of municipal road. Necessary accounting effect for the same will be given in the year in which the matter is finally settled.</p> <p>(b) Buildings include ₹ 7.26 lacs (Previous year ₹ 9.58 lacs) in respect of ownership flats/portions of buildings or Co-operative Housing Societies and ₹ 0.01 lac (Previous year ₹ 0.01 lacs) in respect of shares held in Co-operative Housing Societies.</p> <p>(c) Leasehold Land and Buildings acquired during the previous year, pursuant to the scheme of Demerger, are pending registration in the name of the Company (Refer Note 42).</p> <p>(d) Capital work-in-progress includes, Machineries in transit ₹ Nil (Previous year ₹ 16.84 lacs).</p> <p>(e) In view of the uneconomical cost of generation of power due to high cost of gas fuel prices, the Company has, at the close of the year, carried out an impairment assessment of its 'Gas based Captive Power Plant' at its manufacturing facility at Vapi, in the state of Gujarat. Accordingly, an impairment loss of ₹ 2099.77 lacs, has been determined on the basis of estimation of experts/quotation (being the net selling price) and charged to the Statement of Profit and Loss as an 'Exceptional item' (Refer Note 28)</p> <p>(f) Capital work in progress includes ₹ 15339.56 lacs (Previous year ₹ 13324.33 lacs) towards redevelopment cost of Company's property at Bhulabhai Desai Road, Mumbai in respect of which the Municipal Commissioner has passed a speaking order directing Company to submit the revised plan. The Company having substantially completed construction as per the permissions granted, has decided to prefer an appeal against the said order.</p>													