

2012-2013



The logo for Milton Industries Ltd. consists of a dark blue arc with a red dot above its left end and a red dot at its right end. To the right of the arc is the text "TM" in a small, dark blue, sans-serif font.  
**MILTON.**  
INDUSTRIES LTD.



## MILTON INDUSTRIES LIMITED

### 27th Annual Report 2012-2013

#### BOARD OF DIRECTORS

VIJAIPAL BHAGMAL JAIN	<i>CHAIRMAN Cum MANAGING DIRECTOR</i>
AJAY MAHIPALSINGH JAIN	<i>DIRECTOR</i>
ABHAY MAHIPALSINGH JAIN	<i>DIRECTOR</i>
VIKAS VIJAIPAL JAIN	<i>DIRECTOR</i>
SAKET VIJAIPAL JAIN	<i>DIRECTOR</i>
SMT. NEHA VINIT JAIN	<i>DIRECTOR</i>

#### FINANCIERS

STATE BANK OF INDIA

#### AUDITORS

**H. V. VASA & CO.**  
CHARTERED ACCOUNTANTS  
AHMEDABAD.

#### REGISTERED OFFICE

11, GANGA APPARTMENT,  
CAMP ROAD, SHAHIBAUG,  
AHMEDABAD - 380 004.

#### ADMINISTRATIVE OFFICE

1/2, CHITRA AMI APARTMENT,  
NEAR HOTEL PARADISE,  
OPP. LA GAJJAR CHAMBERS,  
ASHRAM ROAD, AHMEDABAD.



**NOTICE**

Notice is hereby given that the **TWENTY SEVENTH ANNUAL GENERAL MEETING** of the members of **Milton Industries Limited** will be held on 27th day of September, 2013 at 11.00 A.M. at the Registered Office of the company situated at 11, Ganga Apartment, Camp Road, Shahibaug, Ahmedabad-380 004 to transact the following business.

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2013 and Profit & Loss Account for the period ended on that date together with the Directors' Report and Auditors' Report thereon.
2. To appoint Director in place of Shri Ajay Mahipalsingh Jain who retires by rotation and being eligible for re-appointment offers himself for reappointment.
3. To appoint Director in place of Shri Saket Vijaipal Jain who retires by rotation and being eligible for re-appointment offers himself for reappointment.
4. To appoint auditors to hold office from the conclusion of this meeting until the conclusion of the next annual general meeting and to fix their remuneration.

By order of the Board Directors

Sd/-

**VIJAIPAL JAIN**

**CHAIRMAN**

Place: Ahmedabad

Date: 03/09/2013

Registered Office:

11, Ganga Apartment,  
Camp Road, Shahibaug,  
Ahmedabad-380 004.



**NOTES :**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER. The instrument appointing a proxy or the power of attorney, if any, under which it is signed should be deposited at the Administrative Office of the Company not less than 48 hours before the time of holding aforesaid meeting.
2. The Register of Members and Transfer Books of the Company shall remain closed from 24.09.2013 to 27.09.2013 (both days inclusive). During this period the transfer of Shares shall remain suspended.
3. A member desirous of getting any information on the company is required to forward his/her queries to the Company at least 7 days prior to the meeting so that the required information can be made available at the meeting.
4. Members are requested to immediately notify any change in their address with pin code and to quote their folio nos. in all correspondence with the company.

**DIRECTORS' REPORT**

To,  
The Members,  
**MILTON INDUSTRIES LTD.**  
AHMEDABAD.

Your Directors have pleasure in presenting the **27th Annual Report** of the Company along with statement of Accounts for the financial year ending on **31st March, 2013**.

**PERFORMANCE:**

PARTICULARS	31 <sup>ST</sup> MARCH	31 <sup>ST</sup> MARCH
	2013	2012
	₹ In lacs	₹ In lacs
<b>TOTAL INCOME(INCLUDING OTHER INCOME)</b>	<b>4655.27</b>	4148.71
Profit before Depreciation & Tax	<b>185.46</b>	158.19
Depreciation	<b>70.01</b>	62.06
<b>PROFIT BEFORE TAX</b>	<b>115.45</b>	96.14
Tax Provisions	<b>35.65</b>	35.60
<b>PROFIT AFTER TAX</b>	<b>79.80</b>	60.53
Add : Profit Of Earlier Year	<b>407.99</b>	347.47
Profit Available For Appropriation	<b>487.79</b>	407.99
Transferred to General Reserve	<b>0.00</b>	0.00
<b>BALANCE CARRIED TO BALANCE SHEET</b>	<b>487.79</b>	<b>407.99</b>

**DIVIDEND:**

To strengthen the funds position and to further support the working capital needs with the increase in the turnover board is of the view to skip the dividend for this year and accordingly your Directors do not recommend any dividend for the year.

**FIXED DEPOSIT:**

The company has not accepted any deposits from public during the year under review.

**DIRECTORS:**

Shri Ajay Mahipalsing Jain, Shri Saket Vijaipal Jain who retired by rotation and being eligible for re-appointment, offer themselves for re-appointment.

**AUDITORS:**

M/s. H.V.Vasa & Co., Statutory Auditor of the Company, retired at the conclusion of forthcoming Annual General Meeting and is eligible for reappointment. You are requested to appoint the Auditor and fix their remuneration.

**EXPLANATION RELATING TO AUDIT REPORT:**

The remarks of the Auditors are self explanatory.

**PARTICULARS OF EMPLOYEES:**

There are no employees in the company drawing ₹ 5,00,000/- per month or ₹ 60,00,000/- per annum, Therefore particulars of employees as required U/S 217 (2A) of the Companies Act, 1956 are not given.

**DIRECTORS' RESPONSIBILITY STATEMENT PURSUANT TO SECTION 217 (2AA) OF THE COMPANIES ACT, 1956:**

The Directors hereby confirm: -

1. that in the preparation of the annual accounts, the applicable accounting standards had been followed and there are no material departures from the said standards except notes on accounts;
2. that the directors had 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 and of the profit of the company for that period;
3. that the directors have taken proper and sufficient care for the 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 fraud and other irregularities.
4. that the directors had prepared the annual accounts on a going concern basis.

**CONSERVATION OF ENERGY:****THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988**

Information under Section 217(1)(e) of the Companies Act, 1956, read with Rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, are forming part of the Directors' Report.

**(1) Conservation of Energy and Technology Absorption:-**

Since the Company has not made any additional investment during the year, so far, to conserve energy. As the Company is yet to achieve the optimum production, it is difficult to quantify the requirement of energy vis-à-vis the conservation measures that can be taken.

Total energy consumption and energy consumption per unit:

Power and Fuel Consumption: -		Year ended on 31.03.2013	Year ended on 31.03.2012
Electricity:			
(a) Purchased			
Units	Kwh	15,69,521	14,22,430
Total Amount	₹	101,84,214	85,77,969
Rate /Unit (Approx)	₹	6.49/Unit	6.03/Unit
(b) Own Generation through Diesel Genset			
Units	Kwh	2280	6495
Total Amount	₹	38738	46789
Rate /Unit (Approx)	₹	16.99/Unit	7.20/Unit



(2) Research & Development and Technology absorption:-

The Company's production procedures are standardized and production activity is as per the formula provided by and so not much research activities are carried out. As and when the Company will increase the production activity, the Company would concentrate more on the Research and Development program.

(3) Foreign Exchange Earnings & Outgo:-

Total **foreign exchange earning** during the year was ₹ **1043.36 Lacs** (Previous year ₹ 1435.18 Lacs). Total **foreign exchange outgo** during the year was ₹ **1154.23 Lacs** (Previous year ₹ 528.74 Lacs).

Our export sales were decline due to recession in the world market & also increase in raw material prices. Further, we prefer to import raw material to absorbed the domestic raw material price and due to that our foreign outgo was increased.

(4) Disputed Statutory Dues:-

Claims against the company not acknowledge as debts of ₹ 140.86 Lacs pending cases with Income tax department and excise department. Most of pending cases with Income tax department relating to 80HHC and the Supreme Court pronounced the decision relating to section 80HHC in favor of Assesses in the case of M/s. Topman Exports V/s. Commissioner of Income Tax Mumbai. So, that all cases will be in favor of company relating to section 80HHC, And case is pending with excise department; we received stay order in that case from Honorable High Court of Gujarat and which will also likely to be in favor of company.

**FINANCIAL ASSISTANCE:**

The Company has been availing financial assistance from State Bank of India, Law Garden Branch, Ahmedabad. Board takes this opportunity to thank the bank authorities for the support and co-operation extended by them.

**ACKNOWLEDGEMENTS:**

Your directors take this opportunity to place on record their warm appreciation of the valuable contribution, untiring efforts and spirit of dedication demonstrated by the employees and officers at all levels, in the sure and steady progress of the company.

Your directors also express their deep gratitude to the Bankers, Auditors and authorities of Gujarat State. They are also thankful to the shareholders for their co-operation and trust reposed in the company.

**BY ORDER OF THE BOARD OF DIRECTORS**

Sd/-

Place: Ahmedabad

**VIJAIPAL JAIN**

Date: 03/09/2013

**CHAIRMAN**

**AUDITOR'S REPORT TO THE MEMBERS**

We have audited the accompanying financial statements of **Milton Industries Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and 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 is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956. 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.

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.

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.

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

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

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
  - b) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
  - c) in the case of the Cash Flow Statement, of the Cash Flows for the year ended on that date.
1. As required by 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, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
  2. As required by section 227(3) of the Act, we report that:
    - a) 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;
    - b) 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
    - c) the Balance Sheet and Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
    - d) 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;
    - e) on the basis of written representations received from the directors as on March 31, 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.



**ANNEXURE TO THE AUDITORS' REPORT**

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. In respect of its fixed assets :
  - (a) The company has maintained proper records, showing full particulars including quantitative details and situation of its fixed assets on the basis of available information, other than furniture and fixtures.
  - (b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and the nature of its assets. No material discrepancies between the book records and the physical inventory have been noticed in respect of the assets physically verified.
  - (c) In our opinion, there was no substantial disposal of fixed **assets during the year, which would affect the going concern of the company.**
2. In respect of its inventories :
  - (a) As explained to us, inventories have been physically verified by the management at reasonable intervals during the year.
  - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
  - (c) The Company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventories as compared to book records.
3. In respect of loans, secured or unsecured, granted or taken by the Company to / from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956 :
  - (a) According to the information and explanation given to us and on the basis of our examination of the books of accounts, The Company has taken unsecured loan from Thirty Five Parties covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was 472.93 Lacs and year end balance of the loans taken from these parties was Rs.352.08 Lacs.
  - (b) According to the information and explanation given to us and on the basis of our examination of the books of accounts, The Company has granted unsecured loan to Two Parties covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was 25.54 Lacs and year end balance of the loan given to these parties was Rs.14.82 Lacs.
  - (c) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions on which the loans have been given to Parties listed in the register maintained under section 301 of the Companies Act 1956 are not, prima facie, prejudicial to the interest of the Company.
  - (d) In our opinion and according to the information and explanations given to us, the receipt of principal amount and interest of the loans given to parties listed in the register maintained under section 301 of the Companies Act 1956 are regular.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with its size of the company and the nature of business for the purchase of inventories, fixed assets and also for sale of goods and services. Further, on the basis of our examination, and according to the information and explanations given to us, we have neither come across nor have we been informed of any instance of major weakness in the aforesaid internal control systems.



5. In respect of transactions covered under section 301 of the Companies Act, 1956 :
- In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been entered into the register maintained under that section.
  - In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act 1956 and exceeding the value of Rs. five lacs in respect of each party have been made at prices which appear reasonable having regard to the prevailing market prices at the relevant time.
6. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public. According to the information and explanations given to us, in this regard, no order under the aforesaid sections has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the company.
7. In our opinion, the internal audit system of the Company is commensurate with its size and the nature of its business.
8. We have broadly reviewed the books of account maintained by the company pursuant to the rules made by the Central Government for the maintenance of cost records under section 209(1)(d) of the Companies Act, related to the maintenance of manufacture of certain products, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
9. In respect of statutory dues :
- According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess and other statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31<sup>st</sup> of March, 2013 for a period of more than six months from the date they became payable.
  - According to the information and explanations given to us, following disputed statutory dues have not been deposited on account of disputed matter pending before appropriate authorities are as under :

Sr. No.	Name of the Statute	Nature of The Dues	Forum where dispute is pending	Amount (Rs. In Lacs)
1	Income-tax Act, 1961	Income-tax	Assistant Commissioner of Income-tax	12.82
2	Income-tax Act, 1961	Income-tax	Assistant Commissioner of Income-tax	15.56
3	Income-tax Act, 1961	Income-tax	Assistant Commissioner of Income-tax	18.17
4	Income-tax Act, 1961	Income-tax	Hon'ble Supreme Court	9.33
5	Income-tax Act, 1961	Income-tax	Assistant Commissioner of Income-tax	6.04
6	Income-tax Act, 1961	Income-tax	Commissioner of Income Tax (Appeals)	2.25
7	Central Excise Act, 1944	Excise Duty	Hon. Gujarat High court	76.69



10. The Company does not have accumulated losses at the end of the financial year and has not incurred any cash losses during the financial year covered by our audit or in the immediately preceding financial year.
11. As per the Books and records maintained by the company and according to the information and explanations given to us, we are of the opinion that, the Company has not defaulted in repayment of dues to bank.
12. In our opinion and according to the information and explanations given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund or a nidhi /mutual benefit fund / society. Therefore, clause 4(xii) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
14. In our opinion and according to the information and explanations given to us, the Company has not dealt in or is trading in Shares, securities, debentures and other investments. The company has invested surplus funds in marketable securities and mutual funds. According to the information and explanations given to us, proper records have been maintained of the transactions and contracts and timely entries have been made therein. The Investments in the marketable securities and mutual funds have been held by the company in its own name.
15. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from bank or financial institutions.
16. In our opinion and according to the information and explanations given to us, the term loans have been applied for the purpose for which they were raised.
17. According to the cash flow statement and other records examined by us and the information and explanations given to us, on the overall examination of the Balance Sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment (fixed assets, etc.)
18. During the year, the Company has made allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
19. As the Company has not issued any debentures, clause (xix) of the order is not applicable to the company.
20. The Company has not raised any money by public issue during the year.
21. In our opinion and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year, that causes the financial statements to be materially misstated.

Place: Ahmedabad

Date: 03/09/2013

For and on Behalf of  
**H. V. Vasa & Co**  
Chartered Accountants  
Firm Reg. No. 131054W  
Sd/-  
**Tushar H. Vasa**  
(Proprietor)  
Membership No. : 16831

**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2013**

	Note No.	AS AT 31-03-2013 ₹	AS AT 31-03-2012 ₹
<b>A EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	1	50,000,000	37,746,240
(b) Reserves and surplus	2	56,858,321	48,971,209
		<b>106,858,321</b>	<b>86,717,449</b>
<b>2 Non-current liabilities</b>			
(a) Long-term borrowings	3	63,309,410	74,218,365
(b) Deferred tax liabilities (net)	30	6,764,442	6,299,532
(c) Other long-term liabilities		-	-
(d) Long-term provisions		-	-
		<b>70,073,852</b>	<b>80,517,897</b>
<b>3 Current liabilities</b>			
(a) Short-term borrowings	4	81,817,295	75,504,974
(b) Trade payables	5	76,966,109	76,122,904
(c) Other current liabilities	6	35,079,069	27,733,003
(d) Short-term provisions	7	13,466,586	10,358,437
		<b>207,329,059</b>	<b>189,719,318</b>
<b>TOTAL</b>		<b>384,261,232</b>	<b>356,954,664</b>
<b>B ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	8	55,602,246	50,370,203
(ii) Intangible assets		-	-
(iii) Capital work-in-progress	8	3,753,530	7,140,090
(iv) Intangible assets under development		-	-
		<b>59,355,776</b>	<b>57,510,293</b>
(b) Non-current investments	9	44,100	44,100
(c) Deferred tax assets (net)		-	-
(d) Long-term loans and advances	10	1,635,434	1,810,431
(e) Other non-current assets		-	-
		<b>1,679,534</b>	<b>1,854,531</b>
<b>2 Current assets</b>			
(a) Current investments		-	-
(b) Inventories	11	194,160,970	164,097,871
(c) Trade receivables	12	78,182,282	76,364,453
(d) Cash and cash equivalents	13	4,633,903	5,108,348
(e) Short-term loans and advances	14	44,705,989	51,700,680
(f) Other current assets	15	1,542,778	318,488
		<b>323,225,922</b>	<b>297,589,840</b>
<b>TOTAL</b>		<b>384,261,232</b>	<b>356,954,664</b>

See accompanying notes to the financial statements 24 to 37

In terms of our report attached.

**For, H. V. Vasa & Co.**

Chartered Accountants

Firm Reg. No.131054W

-sd-

**Tushar H. Vasa**

Proprietor

Membership No. 16831

Place : Ahmedabad

Date : 03/09/2013

For and on behalf of the Board of Directors

**Vijaipal Jain**

-sd-

Chairman

**Abhay Jain**

-sd-

Director

Place : Ahmedabad

Date : 03/09/2013

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2013**

	Note No.	YEAR ENDED 31 <sup>st</sup> March, 2013 ₹	YEAR ENDED 31 <sup>st</sup> March, 2012 ₹
<b>A CONTINUING OPERATIONS</b>			
1 Revenue from operations (Net)	16	457,662,725	398,301,642
2 Other income	17	7,864,233	16,569,555
<b>3 Total revenue (1+2)</b>		<b>465,526,958</b>	<b>414,871,197</b>
<b>4 Expenses</b>			
(a) Cost of materials consumed	18	354,040,486	300,350,560
(b) Purchases of stock-in-trade	19	12,069,552	5,923,681
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	20	(24,142,906)	(6,071,299)
(d) Employee benefits expense	21	16,214,781	13,818,385
(e) Finance costs	22	15,854,741	10,983,400
(f) Depreciation and amortisation expense	8	7,001,268	6,205,629
(g) Other expenses	23	72,944,149	74,047,031
<b>Total expenses</b>		<b>453,982,071</b>	<b>405,257,387</b>
<b>5 Profit / (Loss) before Tax (3 - 4)</b>		<b>11,544,887</b>	<b>9,613,810</b>
<b>6 Tax expense:</b>			
(a) Current tax		3,100,000	3,612,927
(b) Current tax expense relating to prior years		-	282,155
(c) Deferred tax		464,910	(334,168)
		<b>3,564,910</b>	<b>3,560,914</b>
<b>7 Profit for the period (5 ± 6)</b>		<b>7,979,977</b>	<b>6,052,896</b>
<b>Earnings per equity share</b>	24		
<b>(of Rs.10/- each):</b>			
(a) Basic		2.08	1.60
(b) Diluted		2.08	1.60

See accompanying notes to the financial statements 24 to 37

In terms of our report attached.

**For, H. V. Vasa & Co.**Chartered Accountants  
Firm Reg. No.131054W

-sd-

**Tushar H. Vasa**Proprietor  
Membership No. 16831

Place : Ahmedabad

Date : 03/09/2013

For and on behalf of the Board of Directors

**Vijaipal Jain** -sd-  
Chairman**Abhay Jain** -sd-  
Director

Place : Ahmedabad

Date : 03/09/2013

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013**

	inflow/ (Outflow) 2012-13	₹ in Lakhs inflow/ (Outflow) 2011-12
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net Profit before tax and extraordinary items Adjustment for :	115.45	96.14
Depreciation	70.01	62.06
Interest Paid	158.55	109.83
Interest Income	(4.23)	(4.28)
Preliminary Expenses written off	0.60	0.60
(profit) / loss on sale of Assets	(6.52)	1.71
Net unrealised exchange (gain) / loss	(4.35)	46.55
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>329.52</b>	<b>312.60</b>
Adjustment for:		
Trade & Other Receivables	77.21	(197.03)
Inventories	(300.63)	(327.36)
Trade Creditors & Other Payables	82.84	298.24
<b>CASH GENERATED FROM OPERATIONS</b>	<b>188.94</b>	<b>86.45</b>
Income Tax Paid	(36.53)	(32.44)
<b>CASH FLOW BEFORE EXTRAORDINARY ITEMS</b>	<b>152.41</b>	<b>54.01</b>
Preliminary & Public Issue Expenses	0.00	0.00
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>152.41</b>	<b>54.01</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Fixed Assets	(94.38)	(63.34)
Sale of Fixed Assets	11.50	17.12
Interest income	4.23	4.28
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(78.65)</b>	<b>(41.94)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Proceeds from Borrowings	(109.96)	(145.25)
Working Capital Finance	63.12	281.22
Interest Paid	(158.55)	(109.83)
Issue of Share Capital	122.54	
<b>NET CASH SURPLUS IN FINANCING ACTIVITIES</b>	<b>(82.85)</b>	<b>26.14</b>
<b>D. NET INCREASE(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(9.09)</b>	<b>38.21</b>
<b>E. Cash and cash equivalent as at 1st April, 2012 (Opening Balance)</b>	<b>51.08</b>	<b>59.42</b>
<b>F. Effect of exchange differences on restatement of foreign currency Cash and cash equivalents</b>	<b>4.35</b>	<b>(46.55)</b>
<b>G. Cash and cash equivalent as at 31st March, 2013 (Closing Balance)</b>	<b>46.34</b>	<b>51.08</b>

As per our report of even date attached

**For, H. V. Vasa & Co.**Chartered Accountants  
Firm Reg. No.131054W

-sd-

**Tushar H. Vasa**Proprietor  
Membership No. 16831

Place : Ahmedabad

Date : 03/09/2013

For and on behalf of the Board of Directors

**Vijaipal Jain** -sd-  
Chairman**Abhay Jain** -sd-  
Director

Place : Ahmedabad

Date : 03/09/2013



## NOTES TO THE FINANCIAL STATEMENTS

	AS AT 31-03-2013		AS AT 31-03-2012	
	₹	₹	₹	₹
<b>1 SHARE CAPITAL</b>				
<b>Authorised</b>				
55,00,000 (55,00,000) Equity Shares of Rs. 10 each		<b>55,000,000.00</b>		55,000,000.00
<b>Issued, Subscribed and Paid Up</b>				
50,00,000 (3774624) Equity Shares of Rs. 10 each fully paid		<b>50,000,000.00</b>		37,746,240.00
		<b>50,000,000.00</b>		37,746,240.00

- The company has only one class of equity shares having a par value of Rs. 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 on 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.
- The company has issued 1225376 fresh Equity shares during the year.
- Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period

Particulars	Opening Balance	Fresh Issue	Closing Balance
Equity shares with voting rights (Rs. 10 each)			
Number Of Share	3774624	1225376	5000000
Amount	37746240	12253760	50000000

- The company has not issued any Bonus shares for the period of five years immediately preceding 31-3-2013.
- The company has given in the year 2010-11, 15,00,000 shares to the shareholders of Valley Velvete Pvt. Ltd. in pursuant to the scheme of amalgamation sanctioned by the Honourable High court of Gujarat vide order dated 28.08.2009.

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 2013		As at 31st March 2012	
	No. of Shares	% of Holding	No. of Shares	% of Holding
1 Vijaipal Bhagmal Jain	271426	5.43	271426	7.19
2 Dayawati Mahiplasingh Jain	329685	6.59	169685	4.50
3 Sulochana Vijaipal Jain	482638	9.65	252638	6.69
4 Ajay Mahipalsingh Jain	343834	6.88	343834	9.11
5 Abhaykumar Mahipalsingh Jain	282212	5.64	282212	7.48
6 Vikas Vijaipal Jain	435356	8.71	435356	11.53
7 Priti Abhaykumar Jain	312780	6.26	122780	3.25
8 Babita Ajay Jain	433927	8.68	153927	4.08
9 Rajendra Prasad Jain	255202	5.10	239826	6.35

**2 RESERVES AND SURPLUS**

Particulars	As at 31st March 2013		As at 31st March 2012	
<b>(a) REVALUATION RESERVE</b>				
As per last Balance Sheet	<b>1,328,303</b>		1,421,167	
Less : Reduction from Depreciation	<b>(92,864)</b>		<b>(92,864)</b>	
		<b>1,235,439</b>		1,328,303
<b>(b) GENERAL RESERVE</b>				
As per last Balance Sheet	<b>6,150,000</b>		6,150,000	
Add: Tr from Profit & Loss Account	<b>-</b>		<b>-</b>	
		<b>6,150,000</b>		6,150,000
<b>(c) CAPITAL SUBSIDY</b>		<b>693,700</b>		693,700
<b>(d) PROFIT &amp; LOSS ACCOUNT</b>				
As per last Balance Sheet	<b>40,799,205</b>		34,746,310	
Add: Profit for the year	<b>7,979,977</b>		<b>6,052,896</b>	
		<b>48,779,182</b>		40,799,206
		<b>56,858,321</b>		48,971,209



PARTICULARS	AS AT 31-03-2013		AS AT 31-03-2012	
	₹	₹	₹	₹
<b>3 LONG TERM BORROWINGS</b>				
<b>(a) TERM LOAN</b>				
a. From Banks				
Secured-Car loan (Secured by way of Hypothecation of Car)		422,883		472,980
Unsecured loan from Bank (Against the personal assets and guarantee of the directors)		34,060,460		37,543,102
<b>(b) Loans and advances from related parties</b>				
Secured				
Unsecured		28,826,067		36,202,283
		<u>63,309,410</u>		<u>74,218,365</u>
<b>4 SHORT TERM BORROWINGS</b>		<b>As at 31st March 2013</b>		<b>As at 31st March 2012</b>
<b>(a) Loans repayable on demand</b>				
from Banks				
Secured loan from State Bank of India (Secured by way of hypothecation of current assets of the company; equitable mortgage of fixed assets of the company and personal guarantee of the Directors)		81,817,295		75,504,974
<b>Total</b>		<u>81,817,295</u>		<u>75,504,974</u>
<b>5 TRADE PAYABLES</b>		<b>As at 31st March 2013</b>		<b>As at 31st March 2012</b>
Due to Micro, small & Medium enterprises		9,460,656		18,685,214
Others		67,505,453		57,437,690
		<u>76,966,109</u>		<u>76,122,904</u>
<b>6 OTHER CURRENT LIABILITIES</b>		<b>As at 31st March 2013</b>		<b>As at 31st March 2012</b>
Current maturities of long-term debt From Banks		4,085,226		4,172,172
Creditors for Expenses		8,407,444		8,171,517
Advances from customer		4,207,119		3,694,574
Other current liabilities		18,379,280		11,694,740
		<u>35,079,069</u>		<u>27,733,003</u>
<b>7 SHORT TERM PROVISIONS</b>		<b>As at 31st March 2013</b>		<b>As at 31st March 2012</b>
Provision for Income tax		11,098,949		7,998,949
Provision for Employees' Benefits		2,367,637		2,359,488
		<u>13,466,586</u>		<u>10,358,437</u>







PARTICULARS	AS AT 31-03-2013		AS AT 31-03-2012	
	₹	₹	₹	₹
<b>9 NON-CURRENT INVESTMENTS (UNQUOTED)</b>				
(a) Other Investments				
2200 (2200) Equity shares of Gujarat state financial coporation ltd. (Fully Paid up of Rs. 10/- each)		44,000		44,000
10 (10) Equity shares of Milton Exports (India) Pvt. Ltd. (Fully Paid up of Rs. 10/- each)		100		100
		<u>44,100</u>		<u>44,100</u>
<b>10 LONG TERM LOANS &amp; ADVANCES</b>		<b>As at 31st March 2013</b>		<b>As at 31st March 2012</b>
(Unsecured and Considered Good)				
(a) Security Deposits		1,635,434		1,810,431
		<u>1,635,434</u>		<u>1,810,431</u>
<b>11 INVENTORIES</b>		<b>As at 31st March 2013</b>		<b>As at 31st March 2012</b>
Raw materials		117275007		111,325,241
Stores and spares		2227838		2,257,411
Finished goods		56127949		36,022,521
Finished goods in Transit		0		6,883,774
Work-in-progress		16349936		7,608,924
Trading Goods		2180240		-
		<u>194160970</u>		<u>164,097,871</u>
<b>12 TRADE RECEIVABLES</b>		<b>As at 31st March 2013</b>		<b>As at 31st March 2012</b>
(Unsecured and Considered Good)				
Outstanding for a period exceeding six months		14954878		14,153,621
Others		63227404		62,210,832
		<u>78182282</u>		<u>76,364,453</u>
<b>13 CASH AND BANK BALANCES</b>		<b>As at 31st March 2013</b>		<b>As at 31st March 2012</b>
Cash on Hand		374,020		497,547
Balance with Banks				
In Current Accounts		952,539		356,417
In EEFC Accounts		153,411		1,326,084
In Fixed Deposits Accounts		<u>3,153,933</u>		<u>2,928,300</u>
		<u>4,259,883</u>		<u>4,610,801</u>
		<u>4,633,903</u>		<u>5,108,348</u>
<b>14 SHORT TERM LOANS AND ADVANCES</b>				
(Unsecured and Considered Good)				
(a) Loans and advances to a Company		1,466,947		2,066,862
(b) Balance with Vat, Service Tax, Customs & Central Excise Authorities		9,442,958		10,254,543
(c) Advance Income Tax		12,325,754		8,672,673
(d) Other Short Term loans & Advances (Includes Security deposits with Govt., Advance to supplier & employees, Prepaid expenses & Other short term advances)		21,470,330		30,706,602
		<u>44,705,989</u>		<u>51,700,680</u>



PARTICULARS	AS AT 31-03-2013		AS AT 31-03-2012	
	₹	₹	₹	₹
<b>15 OTHER CURRENT ASSETS</b>				
(a) Accrued Interest		207,108		199,017
(b) Miscellaneous Expenditure (Not Written off)		59,735		119,471
(c) Receivables on sale of fixed assets		1,275,935		-
		<u>1,542,778</u>		<u>318,488</u>
<b>16 REVENUE FROM OPERATIONS</b>	<b>As at 31st March 2013</b>		<b>As at 31st March 2012</b>	
Sale of Products				
Sales (Gross)		498,536,552		423,541,516
Less : Excise Duty		40,873,826		25,239,875
Sales (Net)		<u>457,662,726</u>		<u>398,301,641</u>
<b>Sale of Products comprises:</b>				
Laminated Sheets		247,780,040		195,724,138
Coated Fabrics		191,962,526		190,008,215
Plywood		-		-
Papers		13,877,421		9,737,990
Others		4,042,739		2,831,298
Total Sale of Products		<u>457,662,726</u>		<u>398,301,641</u>
<b>17 OTHER INCOME</b>	<b>As at 31st March 2013</b>		<b>As at 31st March 2012</b>	
Interest Income		422,753		428,405
Incentive from Export		6,064,220		15,617,742
Misc. Income		291,211		273,413
Foreign Exchange Variation Gain		434,526		-
Profit on sale of Assets		651,523		249,995
		<u>7,864,233</u>		<u>16,569,555</u>
<b>18 COST OF RAW MATERIAL CONSUMED</b>	<b>As at 31st March 2013</b>		<b>As at 31st March 2012</b>	
Opening stock		111,325,241		85,584,684
Add: Purchase during the Year		359,990,252		326,091,117
Less: Closing Stock		117,275,007		111,325,241
		<u>354,040,486</u>		<u>300,350,560</u>
<b>Cost of material Consumed</b>	<b>For the year ended 31.03.2013</b>		<b>For the year ended 31.03.2012</b>	
PAPERS & FABRICS (BASE ,KRAFT, DESIGN, TISSUE, & RELEASE)		147,174,357		97,209,247
CHEMICALS & PIGMENT (MELAMINE, PHENOL,FORMALDEHYDE, METHANOL)		107,580,355		81,685,390
P. P. FILMS & OTHERS		99,285,774		121,455,923
<b>TOTAL</b>		<u>354,040,486</u>		<u>300,350,560</u>
<b>19 PURCHASES</b>	<b>As at 31st March 2013</b>		<b>As at 31st March 2012</b>	
Purchase of Paper and other		120,69,552		59,23,681
Purchase of Plywood		0		0
		<u>120,69,552</u>		<u>59,23,681</u>



PARTICULARS	AS AT 31-03-2013		AS AT 31-03-2012	
	₹	₹	₹	₹
<b>20 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE</b>				
<b>Opening Stock</b>				
Finished goods	36022521		34300290	
Finished Goods in Transit	6883774		5732568	
Work-in-progress	7608924		4411063	
		<u>50515219</u>		<u>44443921</u>
<b>Closing Stock</b>				
Finished goods	56127949		36022522	
Finished Goods in Transit	0		6883774	
Work-in-progress	16349936		7608924	
Trading Goods	2180240	<u>74658125</u>	0	<u>50515220</u>
		<u>(24142906)</u>		<u>(6071299)</u>
<b>21 EMPLOYEE BENEFITS EXPENSE</b>	<b>As at 31st March 2013</b>		<b>As at 31st March 2012</b>	
Salaries, Wages and Bonus	15090943		12630546	
Contribution to Provident and other funds	1123838		1167186	
Staff and Labour Welfare Expenses	0		20653	
	<u>16214781</u>		<u>13818385</u>	
<b>22 FINANCE COST</b>	<b>As at 31st March 2013</b>		<b>As at 31st March 2012</b>	
Interest Expenses	15854741		10983400	
	<u>15854741</u>		<u>10983400</u>	
<b>23 OTHER EXPENSES</b>	<b>As at 31st March 2013</b>		<b>As at 31st March 2012</b>	
Stores & Spares consumed	2846397		1237469	
Manufacturing & Other Expenses	944333		1427926	
Power & Fuel Expenses	23753244		19574457	
Design Printing Expenses	2833094		3892525	
Repairs & Maintenance-Building				
Building	119144		406498	
Plant & machinery	2022900		1915561	
Others	<u>25803</u>		<u>78932</u>	
		<u>2167847</u>		<u>2400991</u>
Rent, Rates & Taxes	1950560		1263684	
Insurance Expenses	661661		667523	
Sales & Distribution Expenses	4723784		1876652	
Labour Charges	2122155		3031176	
Freight & Forwarding Charges	23634850		24675030	
Foreign Exchange Variation Loss	0		4654908	
Payment To Auditors				
As Audit Fees	16854		16545	
For Taxation	<u>16854</u>		<u>75961</u>	
		<u>33708</u>		<u>92506</u>
Miscellaneous Expenses	7261405		9240073	
Donation Expenses	11111		12111	
		<u>72944149</u>		<u>74047031</u>



PARTICULARS	AS AT 31-03-2013		AS AT 31-03-2012	
	₹	₹	₹	₹
<b>24 BASIC &amp; DILUTED EPS</b>				
<b>Basic Earning Per Share</b>				
(a) Profit Attributable to the Shareholders	7979977		6052896	
(b) Weighted average number of equity shares Outstanding during the year	3831696		3774624.00	
(c) Nominal Value of Equity Shares	10		10	
(d) Basic Earning Per share (F.V. Rs. 10/- per share)	2.08		1.60	
<b>Diluted Earning Per Share</b>				
(a) Profit Attributable to the Shareholders	7979977		6052895.00	
(b) Weighted average number of equity shares Outstanding during the year	3831696		3774624.00	
(c) Nominal Value of Equity Shares	10		10	
(d) Basic Earning Per share (F.V. Rs. 10/- per share)	2.08		1.60	
<b>25 VALUE OF IMPORTS ON C.I.F. BASIS</b>		<b>As at 31st March 2013</b>		<b>As at 31st March 2012</b>
Raw Material & Chemicals	110780486.00		52873913.00	
Capital Goods	4642456.00		2433666.00	
	115422942.00		55307579.00	
<b>26 EXPENDITURE IN FOREIGN CURRENCIES</b>		<b>As at 31st March 2013</b>		<b>As at 31st March 2012</b>
Travelling Expenses	158897.00		60480.00	
Bank Charges	577182.81		191050.36	
Purchase of Machinery	4642456.00		2433666.00	
	5378535.81		2685196.36	
<b>27 EARNINGS IN FOREIGN CURRENCIES</b>		<b>As at 31st March 2013</b>		<b>As at 31st March 2012</b>
Exports of Goods on F.O.B. Basis	104336293.39		139930348.00	
	104336293.39		139930348.00	
<b>28 DETAILS OF CONSUMPTION OF IMPORTED AND INDIGENOUS GOODS</b>		<b>As at 31st March 2013</b>		<b>As at 31st March 2012</b>
<b>Raw Material</b>	<b>(Amount in Rs.)</b>	<b>%</b>	<b>(Amount in Rs.)</b>	<b>%</b>
Imported Goods	86587363.01	24.46	62265272.05	20.73
Indigenous Goods	267453123.23	75.54	238085288.00	79.27
	354040486.24	100.00	300350560.05	100.00
<b>Stores &amp; Spare parts</b>	<b>(Amount in Rs.)</b>	<b>%</b>	<b>(Amount in Rs.)</b>	<b>%</b>
Imported Goods	0.00	0	0.00	0
Indigenous Goods	2846397.00	100.00	2852447.00	100.00
	2846397.00	100.00	2852447.00	100.00



PARTICULARS	AS AT 31-03-2013		AS AT 31-03-2012	
	₹	₹	₹	₹
<b>29 DEFERRED TAX LIABILITY</b>				
Opening Balance of Deferred Tax Liability		6299532.00		6633700
Deferred Tax Liability\Assets) for the year		464,910.00		(334,168.00)
Closing Balance of Deferred Tax Liability on Account of Difference between book balance & Tax balance of Fixed Assets		6764442.00		6299532.00

**30 DISCLOSURE REQUIRED UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006**

Particulars	As at 31st March 2013	As at 31st March 2012
(a) Unpaid Principal & Interest thereon	9460656.00	18685214.00
(b) Delayed Payment Due	NIL	NIL
(c) Interest paid on delayed payment under the MSMED Act	NIL	NIL
(d) Interest due on principal amounts paid beyond the due date during the year	NIL	NIL
(e) Interest accrued but not due	NIL	NIL
(f) Total Interest due but not paid	NIL	NIL

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

31 Previous year figures have also been reclassified to confirm to this year's classification.

32 Disclosures as required by Accounting Standard (AS) - 15 (Revised 2005) "Employee Benefits" issued by the Institute of Chartered Accountants of India are given below:

**Defined Benefit Plan-Gratuity**

(a) The amounts recognized in the statement of Profit & Loss account are as follows:

Particulars	As at 31st March 2013	As at 31st March 2012
Current Service cost	149583.00	168847.00
Interest cost on benefit obligation	119424.00	113923.00
Expected return on plan assets	0.00	0.00
Net actuarial (gain)/loss recognized during the year	74249.00	(1668.00)
<b>Total expense recognised in the Statement of Profit and Loss</b>	<b>343256.00</b>	<b>281102.00</b>

(b) The amounts recognized in the Balance Sheet are as follows:

	As at 31st March 2013	As at 31st March 2012
Present value of funded obligation	0.00	0.00
Present value of non-funded obligation	1353091.00	1404985.00
Total obligation	1353091.00	1404985.00
Less: Fair value of Plan assets	0.00	0.00
<b>Net (asset)/liability recognised in the Balance Sheet</b>	<b>1353091.00</b>	<b>1404985.00</b>

(c) Changes in the present value of the defined benefit obligation representing reconciliation of the opening and closing balance thereof are as follows:

Particulars	As at 31st March 2013	As at 31st March 2012
Opening defined benefit obligation	1404985.00	1256267.00
Interest cost	119424.00	113923.00
Current Service cost	149583.00	168847.00
Benefits Paid	(395150.00)	(284314.00)
Actuarial (gains)/loss on obligation	74249.00	(1668.00)
<b>Closing defined benefit obligation</b>	<b>1353091.00</b>	<b>1253055.00</b>



PARTICULARS	AS AT 31-03-2013		AS AT 31-03-2012	
	₹	₹	₹	₹
<b>(d) Experience Adjustments</b>				
Present value of DBO	1353091.00		1249843.00	
Fair value of plan assets	0.00		0.00	
Funded status [Surplus / (Deficit)]	0.00		0.00	
Experience (gain) / loss adjustments on plan liabilities	50751.00		45930.00	
Experience (gain) / loss adjustments on plan Assets	0.00		0.00	

**(e) The principal actuarial assumptions at the balance sheet date are as follows:**

Particulars	As at 31st March 2013	As at 31st March 2012
Discount rate	8.25%	8.50%
Expected rate of return on plan assets	0.00%	0.00%
	<b>Indian Assured Lives</b>	
	<b>Mortality (2006-08)</b>	
Mortality table	Ultimate	LIC (1994-96) Ultimate
Salary escalation	5.00%	5.00%
Attrition rate	2.00%	2.00%
proportion of employee opting for early retirement	1% to 2%	1% to 2%

(The estimates of future salary increase considered in actuarial valuation takes account of inflation, seniority, Promotion and other relevant factors such as supply and demand in the employment market)

(The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations).

1. Method of Valuation: Projected Unit Credit Method
2. The cost related to gratuity is based on an actuarial valuation, the actuarial valuation was made at the end of the year.



## 33 The disclosure requirement as per Accounting Standard 17 "Segment Reporting" is:

Sr. No.	PARTICULARS	2012-13			2011-12		
		Laminate Division	Rexine Division	Consolidated	Laminate Division	Rexine Division	Consolidated
<b>I</b>	<b>BUSINESS SEGMENT</b>						
1	<b>Segment Revenue</b>						
	External sales	265700199	191962527	457662726	207713594	190588047	398301641
	Inter - Segment Sales	6050	0	6050	0	0	0
		265706249	191962527	457668776	207713594	190588047	398301641
	Less: Inter - Segment Sales	6050	0	6050	0	0	0
	Total Revenue	265700199	191962527	457662726	207713594	190588047	398301641
2	<b>Results</b>						
	Segmental Results before Interest	22592401	36907834	59500234	15521389	29756225	45277614
	Interest Expenses	0	0	15854741	0	0	10983400
	Unallocable Corporate Expenditure	0	0	39964839	0	0	35575350
	Interest Income	0	0	0	0	0	0
	Other Income	5717256	1724223	7441480	8560833	2096374	10657206
	Unallocable Income			422753			237739
	Profit after Interest	0	0	11544887	0	0	9613810
	Extraordinary Items	0	0	0.00	0	0	0
	Current Tax	0	0	3100000	0	0	3612927
	Deferred Tax	0	0	0.00	0	0	-334168
	<b>SHORT/EXCESS PROVISION OF INCOME TAX</b>	0	0	464910	0	0	282155
	Net Profit after Tax			7979977			6052896
3	<b>Other Information</b>						
	Segment Assets	236927252	96047710.3	332974962	230953406	108239183	339192588
	Unallocable Assets	0	0	51286269	0	0	17762075
	Segment Liabilities	83636157	19835320	103471477	61216251	19068194	80284445
	Unallocable Liabilities	0	0	173931433	0	0	189952770
	Capital Expenditure Including CWIP	9153154.2	284937.0	9438091	6144772	189086	6333858
	Depreciation	5610980.7	1390287.0	7001268	4783539	1422089	6205629
	Unallocable Depreciation	0	0	0		0	0
<b>II</b>	<b>GEOGRAPHICAL SEGMENT</b>						
	<b>Revenue</b>						
	India	218007159.52	130357014.00	348364173.52	142008423	103500396	245508819
	Outside India	47693039.00	61605513.00	109298552.00	65705171	87087652	152792823

Note:

- Geographical segment considered for disclosure are as follows:  
Revenue within India includes sales to customers located within India.  
Revenue outside India includes sales to customers located outside India.



**34 RELATED PARTY TRANSACTIONS**

(a) List of Related parties and their relationship

<b>Sr. No.</b>	<b>Name of the Related parties</b>	<b>Relationship</b>
1	NEHA VINIT JAIN	Key Management Personnel
2	VIJAIPAL B.JAIN	Key Management Personnel
3	AJAY M. JAIN	Key Management Personnel
4	VIKAS JAIN	Key Management Personnel
5	ABHAY M. JAIN	Key Management Personnel
6	SAKET JAIN	Key Management Personnel
7	MILTON EXPORTS INDIA PVT. LTD.	Sister concern
8	HERITAGE DÉCOR LTD.	Sister concern
9	ARCHANA FAB PVT LTD.	Sister concern
10	MILTON EXPORTS	Associate Concern
11	BHAGMAL BIRBAL JAIN	Associate Concern
12	GURJIMAL ULFATRAI JAIN	Associate Concern
13	DHARAMPAL A.JAIN	Associate Concern
14	HARANAMDAS TRADING CO.	Associate Concern
15	SAKET JAIN - HUF	Karta is Key Management Personnel
16	ABHAYBHAI JAIN - HUF	Karta is Key Management Personnel
17	AJAY M. JAIN - HUF	Karta is Key Management Personnel
18	VIJAIPAL JAIN - H.U.F.	Karta is Key Management Personnel
19	VIKAS JAIN HUF	Karta is Key Management Personnel
20	BHOTIDEVI JAIN	Relatives of Key Management Personnel
21	CHADRAPAL B. JAIN	Relatives of Key Management Personnel
22	MAHIPAL SINGH JAIN	Relatives of Key Management Personnel
23	SMT.GARGI JAIN	Relatives of Key Management Personnel
24	SMT.SULOCHANA JAIN	Relatives of Key Management Personnel
25	ABHA JAIN	Relatives of Key Management Personnel
26	SH. PRADEEP JAIN	Relatives of Key Management Personnel
27	SH. RAJENDRAPRASAD JAIN	Relatives of Key Management Personnel
28	ARCHANA JAIN	Relatives of Key Management Personnel
29	BABITA JAIN	Relatives of Key Management Personnel
30	DAYAWATI JAIN	Relatives of Key Management Personnel
31	HIMANSHU JAIN	Relatives of Key Management Personnel
32	NIKITA JAIN	Relatives of Key Management Personnel
33	NISHA JAIN	Relatives of Key Management Personnel
34	PRITI JAIN	Relatives of Key Management Personnel
35	PRERIT KUMAR JAIN	Relatives of Key Management Personnel
36	RAJIV JAIN S/O.C.P. JAIN	Relatives of Key Management Personnel
37	SANJIV KUMAR JAIN	Relatives of Key Management Personnel
38	SHIVANI JAIN	Relatives of Key Management Personnel
39	SUNIL JAIN	Relatives of Key Management Personnel
40	SUNEET JAIN	Relatives of Key Management Personnel
41	VINIT JAIN	Relatives of Key Management Personnel
42	DHARAMPAL JAIN HUF	Karta is Relatives of Key Management Personnel
43	CHANDRAPAL JAIN -H.U.F.	Karta is Relatives of Key Management Personnel
44	MAHIPAL SINGH JAIN (HUF) (M)	Karta is Relatives of Key Management Personnel



(b) Transactions with the Related Parties

Sr. No.	Nature of Transactions (Excluding Reimbursement)	Key Management Personnel	Sister Concerns	Associate Concerns	Relatives of Key Management Personnels	Karta is Key Management Personnel	Karta is Relatives of Key Management Personnels	TOTAL
1	Issue Of Equity Shares	-	-	-	12,253,760.00	-	-	12,253,760.00
2	Rent Received	-	180,000.00	-	-	-	-	180,000.00
3	Purchase of Goods	-	3,474,370.00	-	-	-	-	3,474,370.00
4	Purchase of Capital Goods	-	(9,449,766.00)	-	-	-	-	(9,449,766.00)
5	Sale of Fix Assets	-	573,076.00	-	-	-	-	573,076.00
6	Sales of Goods	(636,970.52)	-	-	-	-	-	(636,970.52)
7	Interest Income	-	141,849.00	-	-	-	-	141,849.00
8	Interest Expenses	126,130.00	183,953.00	296,588.00	1,478,289.00	182,767.00	95,084.00	2,362,811.00
9	Salary Paid	(583,759.00)	(47,216.00)	(626,061.00)	(1,682,896.00)	(171,690.00)	(90,447.00)	(3,202,069.00)
10	Remuneration Paid	3,600,000.00	-	-	300,000.00	-	-	300,000.00
11	Loans / Advance Given / Repaid	(2,472,710.00)	-	-	(300,000.00)	-	-	(300,000.00)
12	Fixed Deposit / Loan Received	2,640,900.00	9,887,250.00	-	250,000.00	-	-	12,778,150.00
13	Receivables at the end of the year	(8,053,815.00)	(10,467,460.00)	(1,925,000.00)	(8,418,437.00)	(95,000.00)	-	(28,959,712.00)
14	Payables at the end of the year	3,396,754.00	5,173,139.21	5,205,314.50	13,967,816.00	3,210,591.00	1,670,298.00	32,623,912.71
		(687,985.00)	(2,968,068.21)	(4,951,128.50)	(24,638,622.50)	(3,046,100.00)	(1,584,722.00)	(37,876,626.21)
		9,809,684.00	30,421,535.21	5,514,645.50	40,503,625.00	3,393,358.00	1,765,382.00	91,408,229.71
	<b>TOTAL</b>	<b>(41,803,684.66)</b>	<b>(34,372,217.46)</b>	<b>(18,134,189.50)</b>	<b>(65,909,833.65)</b>	<b>(9,517,861.52)</b>	<b>(2,057,029.00)</b>	<b>(171,794,815.79)</b>

**35 NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED ON 31st MARCH 2013**

- 1 The Company changed its name on 03.04.2007 from M/s. Milton Laminates Ltd. to M/s. Milton Industries Ltd.
  - 2
    - i) Valley Velvette Pvt. Ltd. (VVPL) engaged in the business of manufacturing Coated Fabrics cloth is amalgamated with the Company with effect from April 1, 2008 in terms of Amalgamation (Scheme) sanctioned by the Hon'ble High Court of Gujarat vide its order dated 28/08/2009. The said Scheme came into effect from 25/09/2009 being effective date and pursuant thereto all assets, estates, title, interests, authorities, debts, out standings, credits, liabilities have been transferred to and vested in the Company retrospectively with effect from the appointed date i.e. April 1, 2008.
    - ii) Each shareholder of Transferor Company received three (3) equity shares of Rs. 10/- each (Rupees Ten each only) fully paid up in the capital of Transferee Company for every one (1) equity share/s of Rs. 10/- each fully paid up and held in the capital of transferor company. All shares issued and allotted ranked pari passu in all respects with the existing equity shares in the transferee company.
  - 3 Contingent liability in respect of :
    - a) Claims against the Company not acknowledged as debts Rs. 140.86 Lacs (Previous year Rs.134.57 lacs).
    - b) Estimated amount of contracts remaining to be executed on capital account not provided is (net of advance) Nil (P.Y. Rs. 170550/-)
  - 4 The Company will make necessary adjustments on receipt of balance confirmations from the parties who have yet to send their confirmations.
  - 5 Depreciation for the year has been provided at the rates and in the manner specified in Schedule XIV of the Companies Act, 1956 on Straight Line Method.
    - a) Depreciation on original cost of assets is charged to the Profit & Loss Alc.
    - b) Depreciation on enhanced value of assets due to revaluation is charged to Revaluation Reserve account.
- 36** Previous year figures have also been reclassified to confirm to this year's classification.
- 37** Significant accounting policies and practices adopted by the Company are disclosed in the statement annexed to these financial statement as Annexure I.

In terms of our report attached.  
For, H. V. Vasa & Co.  
Chartered Accountants  
Firm Reg. No.131054W

Tushar H. Vasa  
Proprietor  
Membership No. 16831

Place : Ahmedabad  
Date : 03/09/2013

For and on behalf of the Board of Directors

Vijaipal Jain  
Chairman -sd-

Abhay Jain  
Director -sd-

Place : Ahmedabad  
Date : 03/09/2013

**ANNEXURE- I****SIGNIFICANT ACCOUNTING POLICIES :**

- **GENERAL**  
Unless otherwise stated hereunder the financial accounts have been drawn up on historical cost convention.
- **BASIS OF ACCOUNTING**  
The Company prepares its financial statements on accrual basis in accordance with generally accepted accounting principles and comply with the accounting Standards referred to in Section 211(3C) of the Companies Act, 1956
- **SALES**  
The Sales includes excise duty, and is net of sales tax and other charges.
- **PROVISION FOR RETIREMENT BENEFITS**  
Liabilities for retirement benefits are accrued on retirement.
- **FIXED ASSETS**
  - a) Fixed assets are stated at cost or at revaluation.
  - b) Depreciation for the year has been provided on Straight Line basis at the rate and method provided in Schedule XIV of the Companies Act, 1956
  - c) Depreciation on cost is charged to Profit and Loss account and in respect of revaluation is charged to Revaluation Reserve.
- **INVENTORIES**
  - a) Raw-material, packing materials, stores are taken at cost (net of modvat credit)  
Stock-in-process at cost
  - b) Finished goods are valued at lower of the cost and net realisable value.
  - c) Excise duty on goods manufactured by the company and remaining in inventory is included as a part of valuation of finished goods.
- **D.E.P.B. and DFRC (balance) licenses at market rate.**
- **INVESTMENTS**  
Investments are stated at cost.
- **FOREIGN CURRENCY TRANSACTIONS**
  - a) Foreign currency transactions during the year are recorded at rates of exchange prevailing on the date of transaction.
  - b) Foreign currency assets & liabilities are translated in to rupees at the rate of exchange prevailing on the date of Balance sheet.
  - c) All exchange differences are dealt with in the statement of Profit & Loss Accounts.
  - d) Receivable in foreign currency are either represented by bills of exchange, which in many cases, are immediately discounted with bankers or accounted at realized amounts.
- **CONTINGENT LIABILITIES**  
Contingent liabilities wherever material are provided for and Contingent liabilities not provided for in the accounts are referred to by way of notes to the accounts.
- **PRELIMINARY EXPENDITURE**  
Expenses relating to Amalgamation of Companies will be amortized in 5 installments commencing from the year of Amalgamation.