

VINNY OVERSEAS PRIVATE LIMITED

Registered Office: 173, New Cloth Market, Ahmedabad – 380002

Directors Report

To,
The Members of
Vinny Overseas Private Limited

Dear Shareholders,

Your directors have pleasure in presenting the **Twenty First** Annual Report together with the audited statements of accounts for the year ending on 31.03.2013.

FINANCIAL RESULTS:

The summarized operative results are as under: -

	(₹ In Lacs)	
Particulars	2012-2013	2011-2012
Total Revenue from Operation	5422.57	4175.41
Other Income	44.91	36.29
Net Profit/ (Loss) before depreciation	287.45	254.37
Less: Depreciation	193.00	184.08
Net Profit/ (Loss)Before Tax	94.45	70.28
Less : Extraordinary Items	0.00	7.80
Less: Current tax	94.45	12.74
Less: Income Tax of earlier year	0.00	0.18
Add: MAT Credit Entitlements	0.00	(12.74)
Net Profit/ (Loss)after Tax	94.45	62.30

DIVIDEND:

During the year under review, the company has earned healthy net profit. However with a view to strengthen long term financial position of the company, your director regrets their inability to recommend any dividend.

YEAR IN RETROSPECT & FUTURE OUTLOOK:

During the year under review, the turnover of the company has increase by almost 30% as compared to previous year. The company has recorded total revenue from operation of ₹ 5422.57 Lacs as agaisnt ₹ 4175.41 Lacs of previous year. The company has earned healthy net profit of ₹ 94.45 Lacs during the year. The company has recorded sound results with strong topline growth and high returns which reflects the robustness of corporate strategy adopted by the management. The performance of the company is remarkable in view of the backdrop of the extremely challenging business context and changing demographics. The Company is making conscientious efforts in addressing the large market opportunities that exist in domestic as well as international markets. Your directors are confident that Company will continue its growth & shareholders of company will be rewarded for immense faith in the company.

AUDITORS:

M/s. S. C. Bohara & Associates., Chartered Accountants, the auditors of the company, retires at the conclusion of ensuing Annual general meeting and had confirmed their eligibility for the appointment and willingness to accept office, if appointed.

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AUDITOR'S REPORT:

The observations made in the Auditor's Report are self-explanatory and do not require further explanation. There was no adverse remark in the audit report.

DIRECTORS:

During the period under review, there is no change in the office of directorship of the company.

PERSONNEL:

The Company does not have any employee drawing salary as stipulated under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

DIRECTORS' RESPONSIBILITY STATEMENT:

As required under section 217(2AA) of the Companies Act, 1956, it is hereby stated that-

- (i) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- (ii) 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 and of the profit or loss of the Company for that period.
- (iii) We have taken proper and sufficient care for the maintenance of the 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; and
- (iv) We have prepared annual accounts on a going concern basis.

CONSERVATION OF ENERGY TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUT GO:

Energy conservation continues to be an area of major emphasis in your Company. Efforts are made to optimize the energy cost while carrying out the business activities. Particulars with respect to conservation of energy and other areas as per Section 217(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988.

A. CONSERVATION OF ENERGY:

The company is engaged in processing of textile fabrics and consumption of energy is in line with industrial norms. The electricity consumption was at ₹ 776.18 Lacs.

B. TECHNOLOGY ABSORPTION, RESEARCH & DEVELOPMENT

The Company has installed indigenous technology and is constantly working towards the improvement of production methodology.

C. FOREIGN EXCHANGE EARNINGS & OUT GO

- (a) Total foreign exchange earned : ₹ 3,06,44,667/- (Previous Year - ₹ 3,49,34,159/-)
- (b) Total foreign exchange out go : ₹ 4,71,727/- (Previous year - ₹ 1,79,230/-)

COMPLIANCE CERTIFICATE:

As required under section 383A of the Companies Act, 1956 with Companies (Compliance Certificate) Rule, 2001, a certificate is obtained from a secretary in the whole time practice confirming that the company has complied with all the provisions of the Act.

The Compliance certificate issued by the practicing Company Secretary is annexed to the report and is self explanatory, needs no further comments

VINNY OVERSEAS PRIVATE LIMITED

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SHARE CAPITAL:

During the year under review, the company has issue 40000 equity shares capital at ₹ 10/- each at premium of ₹ 160/-. Aggregating paid up share capital to ₹ 30613000/-.

PUBLIC DEPOSITS:

Your company has not accepted any deposits from the public during the year under review and there are no outstanding deposits as on 31st March 2013.

INDUSTRIAL RELATIONS:

Relation between the employee and the management remained cordial during the year under review. The Director socially wish to place on record their sincere appreciation of the contribution made by the employee & staff at all the levels to the continued growth of the company.

ACKNOWLEDGEMENT:

Your Directors are pleased to place on record their sincere gratitude to the Government, Bankers, shareholders and Business Constituents for their continued and valuable co-operation and support to the Company. They also take this opportunity to express their deep appreciation for the devoted and sincere services rendered by the employees at all levels of the operations of the Company during the year.

Registered office:

173, New Cloth Market,
Ahmedabad – 380002

By the order of Board of Directors

Sd/-
(Hiralal Parekh)
Director

Sd/-
(Latadevi Parekh)
Director

Place: Ahmedabad

Date: 2nd September, 2013

INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS

TO THE MEMBERS OF
VINNY OVERSEAS PRIVATE LIMITED.

Report on the Financial Statements

We have audited the accompanying financial statements of VINNY OVERSEAS PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2013, 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's Responsibility for the Financial Statements

The Company's 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 ("the Act") and in accordance with the accounting principles generally accepted in India. 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.

Auditors' Responsibility


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, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. 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.

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;



ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on other Legal and Regulatory Requirements' section of our report of even date)

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 the Company's fixed assets:

(a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.

(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.

(c) In our opinion and according to the information and explanations given to us, no fixed asset has been disposed during the year and therefore does not affect the going concern assumption.

2. In respect of Company's inventories:

(a) The management during the year has conducted physical verification of the inventories & in our opinion the frequency of verification is reasonable.

(b) The procedures of physical verification of inventories followed by the management are reasonable and adequate having regard to the size of the company and the nature of its business.

(c) In our opinion and according to the information and explanations given to us, the company has maintained proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of accounts.

3. (a) During the year, the company has taken unsecured loans from eight parties covered in the register maintained under section 301 of the company Act, 1956. The amount involved during the year was ₹ 250.31 Lacs, the closing balance at the end of the year is ₹ 173.97 Lacs.

(b) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions of the loans taken by the Company are not prima facie prejudice to the interest of the company. The payment of principle is regular. There has been no overdue amount during the year.

(c) As informed to us, the company has not granted loan to parties covered in the register maintained under section 301 of the companies Act 1956.

4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase fixed assets and payment for expenses. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
5. a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.

b) As per information and explanations given to us and in our opinion, in respect of transaction with parties with whom transactions exceeding value of ₹ five lacs have been entered into during the financial year, are at the prices which are reasonable having regard to the prevailing market prices at the relevant time, except in case of transaction where we are unable to comment owing to the unique and specialized nature of the items and absence of any comparable prices, whether the transaction are made at the prevailing market prices at the relevant time or not.
6. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public during the year. Therefore, the provisions of the clause 4(vi) of the order are not applicable to the company.
7. As per information and explanations given by the management, the Company has an internal audit system commensurate with its size and the nature of its business.
8. We have broadly reviewed the cost records maintained by the company pursuant to the companies (Cost Accounting Records) Rules, 2011, prescribed by the Central Government u/s 209(1)(d) of the Companies Act, 1956 and are of the opinion that, *prima facie*, the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determining whether they are accurate or complete.
9. (a) 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 to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of Income tax, Wealth Tax, Sales Tax, Custom Duty, Excise Duty and Cess were in arrears as on 31st of March, 2013 for a period of more than six months from the date they became payable.

(c) The disputed statutory dues aggregating ₹ 7.50 lacs that have not been deposited on account of disputed matters pending before appropriate authorities are as under :

Sr no	Name of the statute	Nature of the Dues	Amount (₹ in lacs)	Period to which the amt relates	Forum where dispute is pending
1.	Central Excise Act, 1944	Excise Duty	4.50	2001-2002	CESTAT
2.	Textile Cess	Textile Cess	3.00	1999-2000	High court of Gujarat

10. In our opinion and on the basis of accounts, read with noted to accounts, there is no loss of the Company at the end of financial year and the company has not incurred cash loss in the current financial year covered by our audit or in the immediately preceding financial year.
11. Based on our audit procedures 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 financial institutions, banks and debentures holders.
12. According to the information and explanations given to us, the Company has not granted loans and advances 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 and therefore , the provision of clause 4(xiii) of the companies (auditor's Report) order, 2003 are not applicable to the company.
14. According to information and explanations given to us, the Company is not dealing in trading in Shares, Securities & other Investments and therefore , the provision of clause 4(xiv) of the companies (auditor's Report) order, 2003 are not applicable to the company.
15. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.
16. The Company has raised new term loans during the year. The term loans outstanding at the beginning of the year and those raised during the year have been applied for the purposes for which they were raised.
17. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31st March, 2013, we report that no funds raised on short-term basis have been used for long-term investment by the Company.
18. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment of shares during the year.
19. According to the information and explanations given to us, during the year covered by our report, the Company has not issued any debentures.



20. During the year covered by our report, the Company has not raised any money by way of public issue.
21. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

For, S C Bohara & Associates
Chartered Accountants
FRN NO : 124182W


Sunil C Bohara
Proprietor
Membership No. 103395

Ahmedabad, Sept 02, 2013

VINNY OVERSEAS PVT LTD

BALANCE SHEET AS AT 31.03.2013

Particulars	Note No	As at 31st March 2013	As at 31st March 2012
		₹	₹
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	1	30,613,000	26,613,000
(b) Reserves and Surplus	2	54,545,472	38,700,109
(3) Non-Current Liabilities			
(a) Long-term borrowings	3	77,558,328	92,026,856
(b) Deferred tax liabilities (Net)		6,348,238	6,348,238
(4) Current Liabilities			
(a) Short-term borrowings	4	19,100,966	29,305,864
(b) Trade payables	5	79,552,236	67,603,150
(c) Other current liabilities	6	20,784,117	15,687,242
(d) Short-term provisions	7	3,029,879	2,385,830
Total		291,532,237	278,670,289
II. Assets			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	8	124,034,937	130,575,920
(ii) Capital work-in-progress		-	805,186
(b) Non-current investments	9	250,000	250,000
(c) Long-term Loans & Advances	10	3,119,827	1,274,100
(2) Current assets			
(a) Inventories	11	52,372,126	61,641,426
(b) Trade receivables	12	89,137,811	58,894,102
(c) Cash and cash equivalents	13	1,937,660	450,001
(d) Short-term loans and advances	14	17,213,912	24,418,554
(e) Other current assets	15	3,465,964	361,000
SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PARTS OF ACCOUNTS	24		
Total		291,532,237	278,670,289

for and on behalf of M/s
S C Bohara & Associates
Chartered Accountants
Firm Reg. No. 124182W


Sunil C Bohara
Proprietor
Membership No. 103396

Ahmedabad, Sept 2, 2013

For and on behalf of the Board of directors




Director


Director

Director

Ahmedabad, Sept 2, 2013

VINNY OVERSEAS PVT LTD
CASH FLOW STATEMENT FOR THE YEAR 2012-13

Particulars	Year ended 31st March, 2013	Year ended 31st March, 2012
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Net Profit Before Taxes & Extraordinary Items	9,445,363	7,027,301
Adjustments for :		
Provision For Tax	1,799,814	1,274,100
Depreciation	19,299,652	18,408,794
Interest & Financial Charges Paid	15,468,746	16,752,716
Non Operating Exps	75,622	(56,940)
	46,089,197	43,405,971
Less : Non Operating Incomes	1,694,649	345,128
Operating Profit Before Working Capital Changes	44,394,548	43,060,843
Adjustments for :		
Increase/decrease in Inventories	9,269,299	(12,709,878)
Increase/decrease in sundry debtors	(30,243,709)	(9,101,571)
Increase/decrease in loans & advances	7,204,642	(6,624,030)
Increase/decrease in other current assets	(3,465,964)	-
Increase/decrease in non current assets	(1,845,727)	(1,274,100)
Increase/decrease in creditors	11,949,086	4,904,579
Increase/decrease in other current Liability & provisions	5,740,924	1,907,453
Cash Generated From Operations	43,003,099	20,163,296
Net Income Tax Paid / (Net of Refunds)	1,799,814	1,292,526
NET CASH FLOW FROM OPERATING ACTIVITIES (A)	41,203,285	18,870,770
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(13,169,290)	(4,565,834)
Sale of Fixed Assets	947,000	2,666,604
Sale of Investments	1,443,650	-
Dividend Received	-	72,000
Change in Capital Wip	805,186	(805,186)
NET CASH FLOW FROM INVESTING ACTIVITIES (B)	(9,973,454)	(2,632,416)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds From Share Capital	4,000,000	-
Proceeds From Securities Premium	6,400,000	-
Proceeds From Long Term Borrowings	(14,468,528)	(7,192,637)
Proceeds From Working Capital Limits	(10,204,893)	(1,062,019)
Interest & Financial Charges	(15,468,746)	(16,752,716)
NET CASH FLOW FROM FINANCING ACTIVITIES (C)	-29,742,172	-25,007,372
Net Increase/Decrease in Cash & Cash Equivalents (A+B+C)	1,487,659	(8,769,018)
Cash & Cash Equivalents at the beginning of the year	450,001	9,219,019
Cash & Cash Equivalents at the end of the year	1,937,660	450,001
for and on behalf of M/s S C Bohara & Associates Chartered Accountants Firm Reg. No. 124182/W	For and on behalf of the board of director	
Sunil C Bohara Proprietor Membership No. 103395	 Director  Director	
Ahmedabad, Sept 2, 2013	Ahmedabad, Sept 2, 2013	

**NOTES FORMING PART OF THE BALANCE SHEET
AS AT 31ST MARCH 2013**

Note No	Particulars	Amount in ₹	
		As at 31st March 2013	As at 31st March 2012
1	Share Capital	₹	₹
	Authorised Share Capital :		
	Equity Share Capital		
	445,000 Equity Shares of Rs. 100/- each (Last year : 445,000 Equity Shares of Rs. 100/- each)	44,500,000	44,500,000
	Preference Share Capital		
	5000, 15% Redeemable Preference Shares of Rs. 100/- each (Last year : 5000 Redeemable Preference Shares of Rs. 100/- each)	500,000	500,000
		45,000,000	45,000,000
	Issued, subscribed & fully paid share capital		
	306,130 Equity Shares of Rs. 100/- each (Last year : 266,130 Equity Shares of Rs. 100/- each)	30,613,000	26,613,000
	Total	30,613,000	26,613,000
Note No	Particulars	As at 31st March 2013	As at 31st March 2012
		₹	₹
1(A)	Reconciliation of the number of Equity Shares Outstanding at the beginning & at the end of year.		
	Share outstanding at the beginning of the year	266,130	266,130
	Add : Share issue during the year	40,000	-
	Share outstanding at the end of the year	306,130	266,130
Note No	Particulars	As at 31st March 2013	As at 31st March 2012
		₹	₹
1(B)	Details of Shareholders Holding more than Five Percent of Shares		
	Equity Shares		
	Hiralal Jagdishchand Parekh	40.47%	30.25%
	Hiralal Parekh J/H. Latadevi Parekh	14.34%	13.41%
	Latadevi Hiralal Parekh	16.37%	15.11%
	Vandini Sumanth Chaudhary	9.54%	10.97%
	Number of Shares	306,130	266,130
Note No	Particulars	As at 31st March 2013	As at 31st March 2012
		₹	₹
2	Reserves and Surplus		
	Securities Premium Reserves	9,720,000	3,320,000
	General Reserve	3,132,315	3,132,315
		12,852,315	6,452,315
	Surplus from profit and loss account		
	Opening Balance	32,247,794	26,018,623
	Profit/loss during the year	9,445,363	6,229,171
		41,693,157	32,247,794
	Total	54,545,472	38,700,109

Note No	Particulars	As at 31st March 2013	As at 31st March 2012
		₹	₹
3	Long-term borrowings		
i	Secured		
a	Term Loans - From Banks (Refer Note 6 - iv)	56,041,686	64,780,272
b	Car Loans - From Banks (Refer Note 6 - v)	2,119,251	449,668
	Total...(A)	60,160,937	65,229,940
ii	Unsecured		
a	From Directors	6,137,148	5,695,541
b	From Shareholders & others	9,260,243	21,101,375
	Total...(B)	17,397,391	26,796,916
	Total (A+B)	77,558,328	92,026,856
Note No	Particulars	As at 31st March 2013	As at 31st March 2012
		₹	₹
4	Short-term borrowings		
a	Loans Repayable on Demand		
i	Cash Credit with HDFC Bank	19,100,966	29,305,864
	Total	19,100,966	29,305,864
Note No	Particulars	As at 31st March 2013	As at 31st March 2012
		₹	₹
5	Trade Payables		
i	Trade Payables for Goods & Expenses	79,552,236	67,603,150
	Total	79,552,236	67,603,150
Note No	Particulars	As at 31st March 2013	As at 31st March 2012
		₹	₹
6	Other Current liabilities		
i	Advance & Deposits from Customers	467,387	431,157
ii	Outstanding Expenses	3,860,126	3,487,282
iii	Other Statutory Liabilities	852,583	646,945
iv	Current Maturities to Long Term Debt of Term Loans	14,176,205	10,477,452
v	Current Maturities to Long Term Debt of Car Loans	1,427,816	644,406
	Total	20,784,117	15,687,242
Note No	Particulars	As at 31st March 2013	As at 31st March 2012
		₹	₹
7	Short-term provisions		
i	Provision for employee benefits	1,230,065	1,111,730
ii	Others	1,799,814	1,274,100
	Total	3,029,879	2,385,830

Note No	Particulars	As at 31st March 2013	As at 31st March 2012
		₹	₹
8	Tangible Assets		
	Land/ Building/ Plant & Equipment/ Furniture & fixtures/ Vehicles/ Office Equipment/ Others (individually)		
	Opening Balance	205,894,460	206,430,230
	Add: acquisition through business combination		
	Other Adjustments	13,169,290	4,565,834
	Sub total	219,063,750	210,996,064
	Less: Disposals	1,240,021	5,101,604
	Gross Block at year end (a)	217,823,729	205,894,460
	Less: Depreciation		
	Opening Depreciation	75,318,539	58,895,111
	Depreciation for the year	19,299,652	18,408,794
	Other Adjustments	829,399	1,985,366
	Total accumulated depreciation (b)	93,788,792	75,318,639
	Net carrying value (a) - (b)	124,034,937	130,575,920
	Total	124,034,937	130,575,920
Note No	Particulars	As at 31st March 2013	As at 31st March 2012
		₹	₹
9	Non - Current Investment		
	i <u>Unquoted : Trade & Long Term</u>		
	2500 Shares of Madhavpura Mercantile Co-op Bank Ltd of Rs. 100/- each fully paid (Last Year: 2500 Shares of Rs. 100/- each)	250,000	250,000
	Total	250,000	250,000
Note No	Particulars	As at 31st March 2013	As at 31st March 2012
		₹	₹
10	Long Term Loans & Advances		
	i MAT Credit Entitlement	3,119,827	1,274,100
	Total	3,119,827	1,274,100
Note No	Particulars	As at 31st March 2013	As at 31st March 2012
		₹	₹
11	Inventories:		
	i Colour & Chemicals	10,112,858	15,720,487
	ii Raw Material	27,804,713	26,397,548
	iii Goods in Transit	710,711	1,633,713
	iv Finished Goods	3,508,740	2,256,631
	v Semi Finished Goods	1,086,799	231,313
	vi Store & Spares	980,893	783,540
	vii Fuel	1,213,737	837,374
	viii Work In Process For Job Work	6,853,875	13,780,820
	Total	52,372,126	61,641,426

Note No	Particulars	As at 31st March 2013	As at 31st March 2012
		₹	₹
12	Trade receivables		
i	Secured/ Unsecured		
	More than six months	72,352	679,556
	Others	89,065,459	58,214,546
	Total	89,137,811	58,894,102
Note No	Particulars	As at 31st March 2013	As at 31st March 2012
		₹	₹
13	Cash and cash equivalents		
i	Cash on hand	408,249	302,718
ii	Dollar Purchase Account	1,142,175	-
iii	Balances with Schedule Bank in Current Account	387,236	147,283
	Total	1,937,660	450,001
Note No	Particulars	As at 31st March 2013	As at 31st March 2012
		₹	₹
14	Short term loans and advances		
i	Others Loans & Advances		
	-Balance with Customs & Central Excise Authorities	1,771,144	689,578
	-Balance with Income Tax Authorities	6,363,756	14,828,798
	-Advance recoverable in cash or in kind or for value to be received	3,010,227	4,945,923
ii	Deposit	2,271,657	2,359,401
iii	Prepaid Expenses	1,797,128	1,594,854
	Total	17,213,912	24,418,554
Note No	Particulars	As at 31st March 2013	As at 31st March 2012
		₹	₹
15	Other current assets		
i	Advances to Suppliers	3,465,964	-
ii	Unquoted Non Trade & Short Term		
	36000 Shares of Indo colchem Ltd of Rs. 10/- each fully paid		360,000
	(Previous year 36000 shares of Rs. 10/- each)		
	10 Shares of Chley Laboratories Pvt Ltd of Rs. 100/- each fully paid		1,000
	(Previous year 10 shares of Rs. 100/- each)		
	Total	3,465,964	361,000

NOTE : 24 : NOTES ON ACCOUNTS & SIGNIFICANT ACCOUNTING POLICIES

1. Schedule "1" to "23" forms the integral parts of Balance Sheet as at 31st March 2013 & Profit & Loss Account for the year ended on the date.

(A) SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS:

The financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting in accordance with the Companies Act, 1956 and in accordance with accounting principles generally accepted in India (Indian GAAP) and comply with the Accounting Standards issued by the Institute of Chartered Accountants of India, to the extent applicable.

2. GOING CONCERN :

The financial statements are prepared on a going concern basis. The management of the Company believes that due to the above, the Company will continue to operate as a going concern and will be in a position to meet all its liabilities as they fall due.

3. USE OF ESTIMATES :

The preparation of financial statements in accordance with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Management believes that the estimates made in preparation of the financial statements are prudent and reasonable. Actual results may differ from those estimates. Any revisions to accounting estimates are recognized prospectively in current and future periods.

4. INVENTORIES :

Inventories are stated at cost. Cost is calculated on specific identification basis except colour chemicals and consumable stores & spare on FIFO basis. Finished goods include other costs incurred in bringing the inventories to their present location. Raw material and stock in process are valued at cost.

5. REVENUE RECOGNITION :

Sales are recognized when goods are invoiced on dispatch to customers and are recorded at net of trade discount. Revenue in respect of other income is recognized when no significant uncertainty as to its determination or realization exists.



6. **FIXED ASSETS, DEPRECIATION & AMORTIZATION :**

- 6.1 Fixed are stated at cost of acquisition including any cost attributable to bringing the assets to their working conditions for their intended use.
- 6.2 Depreciation is provided on SLM method at the rates and in the manner prescribed in Schedule -XIV to the Companies Act, 1956, except in the case of below mentioned asset which is depreciated at commercial rate which is higher than the rates prescribed in Schedule -XIV.

Class of asset	Depreciation rate applied	As per schedule XIV
Vehicles	15%	9.5%

- 6.3 Depreciation on additions/deletion during the year is charged on actual basis from the date of such addition/deletion.

7. **IMPAIRMENT OF ASSETS:**


An Asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the profit and loss account in the period in which an asset is identified as impaired. The impairment loss, if any, recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

8. **INCOME TAX AND DEFERRED TAX:**

Tax expense comprises of Current Tax and Deferred Tax. Current Income Tax is determined at the amount expected to be paid to the Income Tax Authorities after consideration of the applicable provisions of The Income Tax Act, 1961 including Benefits, Allowances and Deductions admissible under the said Act.

Minimum Alternative tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Group will pay normal tax after the tax holiday period. Accordingly, MAT is recognized as an asset in the balance sheet when it is probable that the future economic benefit associated with it will flow to the Group and the asset can be measured reliably.

Deferred Taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier year. Deferred Tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date.



9. BORROWING COSTS :

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. General borrowing costs are capitalized at the weighted average of such borrowing outstanding during the period. Borrowings costs also include exchange differences arising from foreign currency borrowings. All other borrowing costs are charged to profit and loss statement of the period in which incurred.

10. EXTRAORDINARY ITEM AND PRIOR PERIOD ITEMS :

Extraordinary items are income or expenses that arise from events or transactions that are clearly distinct from the ordinary activities of the enterprise and, therefore, are not expected to recur frequently or regularly.

Prior period items are income or expenses which arise in the current period as a result of errors or omissions in the preparation of the financial statements of one or more prior periods.

The nature and the amount of each extraordinary item and prior period item should be separately disclosed in the statement of profit and loss in a manner that its impact on current profit or loss can be perceived.

11. FOREIGN CURRENCY TRANSACTIONS :

Transaction denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction.

Monetary items denominated in foreign currencies at the year end are restated at the year end rates at RBI reference rates.

Exchange rate fluctuation of HDFC bank term loan FCNR in USD is been capitalized into Windmill (Fixed asset) as per the notification of exchange differences arising on reporting of long term foreign currency monetary items.

12. TREATMENT OF EXPORT ENTITLEMENT BENEFITS:

Export entitlement benefits in respect of Duty drawback under Exim policy are accounted for on the basis of entitlement in profit and loss account over the life of the contract.



13. INVESTMENTS :

Long Term Investments are stated at cost.

14. EMPLOYEE BENEFITS :

A. Short Term Employee Benefits :

Undiscounted amount of short term employee benefit expected to be paid exchange for the services rendered by employee is recognized during when the employee renders the services. These benefits include compensated absences such as paid annual leave and performance incentives.

B. Defined Benefit Plans :


Gratuity for employees is covered under a scheme of Life Insurance Corporation of India and contributions in respect of such scheme are recognized in the Profit & Loss Account. The liability as at the Balance Sheet date is provided for based on the actuarial valuation, based on Projected Unit Credit Method at the balance sheet date, carried out by an independent actuary. Actuarial Gains and Losses comprise experience adjustments and the effect of changes in the actuarial assumptions and are recognized immediately in the Profit and Loss Account as income or expense.

C. Defined Contribution Plans :

These comprise of contributions to employees' provident fund with the government and certain state plans like Employee's State Insurance and Employees' Pension Scheme. The Company's payments to the defined contribution plans are recognized as an expenses during the period in which the employees perform the services that the payment covers.

15. PROVISIONS, CONTINGENT ASSET AND CONTINGENT LIABILITIES:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities, if any, are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.



(B) NOTES ON ACCOUNTS :

1. EARNINGS PER SHARE:

The Company reports Basic Earnings Per Share in accordance with Accounting Standard – 20; "Earnings Per Share" issued by The Institute of Chartered Accountants of India. Basic EPS is computed by dividing the Net Profit after Tax for the year by the weighted average number of Equity Shares outstanding during the year.

Particulars	2012-13	2011-12
Basic & Diluted earnings per share	(in ₹)	(in ₹)
Net profit (Loss) attributable to the Equity Shareholders (Before Prior Period Adjustments)	9,445,363	6,229,171
Net profit (Loss) attributable to the Equity Shareholders (After Prior Period Adjustments)	9,445,363	6,229,171
Weighted average number of Equity Shares of Rs 10 each outstanding during the year	266,788	261,130
Basic & Diluted Earnings per Equity Share (Before Prior Period Adjustments)	35.40	23.41
Basic & Diluted Earnings per Equity Share (After Prior Period Adjustments)	35.40	23.41
Face Value per share	100	100

2. RELATED PARTY DISCLOSURES :

A. (I) Key Management Personnel & their relatives :

- Hiralal Jagdishchand Parekh
- Latadevi Hiralal Parekh
- Vandani Sumanth Chaudhary

(II) Relatives of Key Management Personnel :

- | | |
|----------------------------|---------------------------|
| • Bhoorchand Mohanlal HUF | Nishita Hiralal Parekh |
| • Rajkumar Mohanlal HUF | Shantadevi Mohanlal |
| • Hiralal Jagdishchand HUF | Mohanlal Jagdishchand HUF |
| • Sharmiladevi Rajkumar | Pankaj Fabrics Company |
| • Vaibhav Rajkumar | Mohanlal Bhoorchand |
| • Varun Rajkumar | Mohanlal Mahavirchand |

B. Transactions with related parties for the year ended March 31, 2013 :

Transaction	Key Management Personnel	Relatives of key Management Personnel
Remuneration	3,000,000	----
Office Rent	----	96,000
Factory Rent	----	480,000
Interest	805,784	880,637

C. Balance as at March 31, 2013 :

Balance as at 31 st March, 2013	Key Management Personnel	Relative of Key Management Personnel
Unsecured Loan	8,140,148	9,260,243

3. SECURED LOANS :

- (i) Term Loans from HDFC Bank (Takeover from Canara Bank) is secured by hypothecation by way of first and exclusive charge on all present and future Plant and Machinery and further secured by collateral security of Factory land and Building at 313, 314A, survey no : 309, b/h International Hotel, Narol, Ahmedabad and personal guarantee of the directors.
- (ii) Term Loan from HDFC FCNR in USD windmill loan (Takeover from canara Bank) is secured hypothecation by way of first and exclusive charge on all present and future Plant and Machinery and further secured by collateral security of Factory land and Building at 313, 314A, survey no : 309, b/h International Hotel, Narol, Ahmedabad and personal guarantee of the directors.
- (iii) Cash Credit from HDFC Bank (Takeover from Canara Bank) is secured by hypothecation by way of first and exclusive charge on all present and future stocks and book debts and futher secured by by collateral security of Factory land and Building at 313, 314A, survey no : 309, b/h International Hotel, Narol, Ahmedabad and personal guarantee of the directors.
- (iv) Loans from ICICI for Motor Cars are secured by way of hypothecation of respective Motor Car.

4. CURRENT MATURITIES TO LONG TERM DEBTS :

Long Term Debts including Term Loans from HDFC Bank and Motor Cars Loans from ICICI Bank have been reduced with amount to be matured in 12 months in current maturities to long term debts shown in other current liabilities. The said amount is calculated as per repayment schedule of the debt.

5. AUDITOR'S REMUNERATION AND EXPENSES :

Particulars	2012-13	2011-12
(i) Audit Fees	75,000/-	50,000/-
(ii) Tax Audit	25,000/-	25,000/-
(iii) Certification	10,000/-	10,000/-
(iv) Service Tax	13,596/-	10,506/-
Total....	123,596/-	95,506/-

6. (i) Value of Import on CIF Basis :

CIF value of Imports during the year are ₹ NIL/- (Previous year ₹ NIL/-)

(ii) Earnings in Foreign Currency :

Company's foreign exchange earning (FOB Value) are ₹ 30,644,667/-
(Previous year ₹ 34,934,159/-)

(iii) Expenditure in foreign currency :

Company's foreign exchange expenditure (FOB Value) are ₹ 471,727/-
(Previous year ₹ 179,230/-)

7. Quantitative Details of Raw Material :

(Qty in Mtrs.)

Particulars	Opening	Purchase	Sales	Consumption	Closing
Grey Cloth	1,610,352.00	11,279,152.16	284,942.16	10,929,326.00	1,675,236.00

Quantitative Details of Semi Finished Goods Stock :

(Qty in Mtrs.)

Particular	Opening	From Raw Material	Transfer to Finished Goods	Closing
Semi Finished Goods	10,203.00	10,929,326.00	10,886,560.00	52,969.00

Quantitative Details of Finished Goods Stock :

(Qty in Mtrs.)

Particular	Opening	Purchase	Production	Sales	Closing	Shortage
Dyes & Printed Cloths	83,201.00	34,101.00	10,886,560.00	10,848,382.32	122,380.75	33,098.93

8. (1) Number of employees who were:

- (a) Employed throughout the year and were in receipt of remuneration of ₹ 60,00,000/- per annum or more are nil. (Previous Year Nil)
- (b) Employed for part of the year and were in receipt of remuneration of ₹ 5,00,000/- per month or more are nil. (Previous Year Nil)

(2) Managerial Remuneration

	Current year 31-03-2013	Previous year 31-3-2012
(a) Director's Remuneration	3,000,000	2,160,000
	-----	-----
	3,000,000	2,160,000
	-----	-----

9. Balances shown under the head of "Secured Loans", "Unsecured Loans", "Sundry Debtors", "Loans and Advances" and "Sundry Creditors" are subject to confirmation of parties concerned.
10. In the opinion of the Directors of the company, the value of current assets shown in the Balance Sheet are approximately of the value stated, if realised in the ordinary course of business.
11. Figures have been rounded off to the nearest rupee.
12. The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary. Amount and other disclosure for the preceding year are included as an integral part of the current year financial statement and are to be read in relation to amount and other disclosures relating to the current year.

For, Vinny Overseas Pvt Ltd

Director




Director

Lena Hirahur

Ahmedabad, Sept 02, 2013

For, S C Bohara & Associates
Chartered Accountants
FRN NO : 124182W


Sunil C Bohara
Proprietor
Membership No. 103395

VINNY OVERSEAS PRIVATE LTD

173, NEW CLOTH MARKET, RAIPUR, AHMEDABAD-380002, GUJARAT

Depreciation Chart for the Year Ending 31 March, 2013

Particulars	GROSS BLOCK			DEPRECIATION / AMORTIZATION				NET BLOCK		
	As at April 1, 2012	Addition during the year	Ded/Adj during the year	As at March 31, 2013	Upto March 31, 2012	For the year	Ded/Adj during the year	Upto March 31, 2013	As at March 31, 2013	As at March 31, 2012
Tangible Assets										
Building	6,741,143	(0)		6,741,143	494,887	109,881	0	604,767	6,136,376	6,246,256
Plant & Machinery	185,291,944	8,529,840	303,000	193,518,784	68,616,691	17,967,675	302,999	86,281,368	107,237,415	116,675,251
Furniture & Fixtures	1,850,720	2,000		1,852,720	950,811	117,206	0	1,068,017	784,703	399,909
Electrical Installation	3,940,199	9,904		3,950,103	1,688,510	187,546	0	1,876,056	2,074,047	2,251,689
Office Equipment	1,528,274	98,800		1,627,071	581,533	74,928	0	656,461	970,610	946,738
Vehicle	6,289,660	4,393,296	937,071	9,745,935	2,917,949	793,593	526,400	3,185,143	6,560,792	3,371,711
Computer	252,523	135,450		387,973	68,157	48,822	0	116,980	270,993	184,366
Total	205,894,460	13,169,290	1,240,021	217,823,729	75,318,538	19,299,652	829,399	93,788,791	124,034,937	130,575,920
Previous Year	206,430,230	4,565,834	5,101,604	205,894,460	58,895,411	18,408,794	1,985,366	75,318,539	130,575,920	147,535,119