



K.KANJARIA & Co.

Chartered Accountants

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AUDITOR'S REPORT

To,
The Members,
National Handloom Development Corporation Limited,
Lucknow.

Report on the Financial Statements

We have audited the accompanying financial statements of National Handloom Development Corporation Limited, Lucknow which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and a summary of significant accounting policies and other explanatory information.

The Audit of Accounts of 5 Regional Offices has been carried out by the Branch Auditors in accordance with the allocation made by the Comptroller and Auditor General of India (C& AG). We have carried out the Audit of Head Office and Consolidation of Accounts at Head Office. Reports of Branch Auditors have been taken into consideration together with other particulars and information made available to us by the Head Office.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the company accordance with the Accounting Standards referred to in Sub – Section (3C) of section 211 of the Companies Act, 1956 (“ the Act”). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these 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 preparation 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.

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 National Handloom Development Corporation Limited, Lucknow as at March 31, 2013;
- b) in the case of the Statement of Profit and Loss, 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;

Report on Other Legal and Regulatory Requirements

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 National Handloom Development Corporation Limited, Lucknow, as far as appears from our examination of these books
 - c. The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of accounts;
 - d. In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in sub – section (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 s director in terms of clause (g) of sub – section (1) of section 274 of the Companies Act, 1956.

For K. Kanjaria & Co.
Chartered Accountants

Sd/-
(Kamlesh Kumar)
Partner
M.No. 017510
FRN 000449C

Place: Lucknow
Date: 27.07.2013

ANNEXURE TO AUDITORS' REPORT ON THE ACCOUNTS OF NATIONAL HANDLOOM DEVELOPMENT CORPORATION LIMITED FOR THE YEAR ENDED 31.03.2013. (REFERRED TO IN CLAUSE 1 OF PARA OF "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENT" OF OUR REPORT OF EVEN DATE)

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

(b) As informed to us, physical verification of fixed assets has been carried out by the management during the year which, in our opinion, is reasonable having regard to the size of the corporation and nature of its assets and no material discrepancies were noticed on such verification.

(c) During the year, the corporation has not disposed off a substantial part of its fixed assets.

2. (a) As informed to us, the physical verification of inventory was conducted by the management at year-end. In our opinion, the frequency of verification is reasonable.

(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management were found reasonable and adequate in relation to the size of the corporation and nature of its business.

(c) In our opinion and according to the information and explanations given to us, the corporation is maintaining proper records of inventory. We were informed that no material discrepancies were noticed on physical verification of inventory.

3. According to the information and explanations given to us, the corporation has neither taken nor granted any loans, secured or unsecured from/ to companies, firms or other parties covered in the register required to be maintained under section 301 of the Companies Act, 1956. Hence, the provisions of clause 4(iii)(b), 4(ii) (c), 4(iii)(d), 4(iii)(f) & 4(iii)(g) are not applicable to the corporation.

4. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the corporation and the nature of its business for the purchase of the inventory and fixed assets and for sale of goods and services. In the course of our audit we have not observed any continuing failure to correct major weaknesses in internal controls.

5. In our opinion and according to the information and explanations given to us, the corporation has not entered into any contracts or arrangements referred to in section 301 of the Companies Act, 1956 that need to be entered into a register required to be maintained under that section.

6. In our opinion and according to the information and explanations given to us, the corporation has not accepted any deposits from the public to which the provisions of sections 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and rules framed there under would be applicable.

7. As explained to us, the corporation has an internal audit system commensurate with the size of the corporation and the nature of its business.

8. We have been informed that the Central Government has not prescribed maintenance of cost records under section 209(1)(d) of the Companies Act, 1956.

9.(a) According to the records of the company, the corporation has been regular in depositing Provident Fund dues with its own Trust for the Employees Provident Fund Scheme. According to the information and

explanations given to us, there is no undisputed amount payable in respect of statutory dues which have remained outstanding as at 31st March, 2013 for the period of more than six months from the date they become payable.

(b) According to the information furnished to us by the management, the details of dues of Income Tax/ Sales Tax/ Wealth Tax/ Service Tax/ Custom duty/ Excise Duty/ Cess which have not been deposited on account of any dispute are given hereunder:

Name of the Statute	Nature of the dues	Amount* (Rs. in lacs)	Period	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	0.15	2000-01(AY)	Matter pending with DCIT, Lucknow
		0.37	2004-05(AY)	- do -
		0.26	2005-06(AY)	- do -
		1.16	2006-07(AY)	- do -

UP Trade Tax Act	Trade Tax	0.70	2008-09	Matter pending with DC, Sector-19, Lucknow
		13.67	2009-10	- do -

*Exclusive of interest payable under the provisions of the Income Tax Act, 1961.

10. The corporation does not have any accumulated losses as at the end of the financial year and it has neither incurred any cash losses during the financial year under audit nor in the immediately preceding financial year.

11. According to the information and explanations furnished to us, the corporation has not defaulted in repayment of dues to banks, Financial Institutions or debenture holders.

12. According to the information and explanations furnished to us, the corporation has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

13. According to the information and explanations furnished to us, the provisions of any special statute applicable to chit fund are not applicable to the corporation.

14. As explained to us, the corporation is not dealing or trading in shares, securities, debentures and other investments. Therefore, the provision of Clause (XIV) of paragraph 4 is not applicable.

15. According to the information and explanations furnished to us, the corporation has not given any guarantee for loans taken by others from banks and financial institutions.

16. To the best of our knowledge and belief and according to the information and explanations given to us, no term loan has been availed by the corporation during the year.

17. According to the information and explanations given to us and on overall examination of the balance sheet of the corporation, we report that funds raised on short- term basis has, prima facie, not been used for long term investment.

18. According to the information and explanations given to us, the corporation has not made any preferential allotment of shares during the year.

19. According to the information and explanations given to us, the corporation has not issued any debentures during the year.

20. The corporation has not raised any money by way of public issues during the year under audit.
21. On the basis of our examination and according to the information and explanations furnished to us, no fraud, on or by the corporation has been noticed or reported during the year.

For K. Kanjaria & Co.
Chartered Accountants

Sd/-
(Kamlesh Kumar)
Partner
M.No. 017510
FRN 000449C

Place: Lucknow
Date: 27.07.2013

SIGNIFICANT ACCOUNTING POLICIES

ACCOUNTING CONVENTIONS:

The financial statements have been prepared under historical cost convention in accordance with the Generally Accepted Accounting Principles, the provisions of Companies Act' 1956 and applicable Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI).

FIXED ASSETS:

The assets acquired/ purchased are recorded on the basis of purchase value.

DEPRECIATION AND IMPAIRMENT OF ASSETS:

Depreciation on fixed Assets is charged on straight-line method. Depreciation is calculated on pro-rata basis on all additions made during the year in which the assets are put to use/ brought on charges. However, 100% depreciation is charged on the assets acquired during the year where individual cost does not exceed Rs.5000/-. Rate of depreciation prescribed in SCHEDULE XIV of the Companies Act, 1956 has been adopted.

The carrying amount of assets is tested at each Balance Sheet date for impairment so as to determine and provide for the impairment loss, if any, required or the reversal, if any, required for impairment loss recognized in previous periods.

GRANTS:

The expenses against Grants-in-aid have been incurred on specific purposes and are adjusted accordingly in specific grant received from Government. Grants/ Receivables from Government are recognized on accrual basis keeping in view the certainty of its ultimate collection.

INVENTORIES:

The valuation of stocks is at cost or net realizable value, whichever is lower. Goods-in-transit due to sales return or otherwise are valued at purchase price.

SALES:

The sales of yarn, dyes & chemicals and fabrics represent the value of goods dispatched to customers.

CLASSIFICATION OF EXPENDITURE:

All expenses and Incomes are accounted for under natural heads of account. Wherever necessary, allocation of expenditure on the functional basis has been made.

INTEREST ON OVERDUE BILLS:

Interest on overdue bills has been provided for delayed payments as per terms of credit decided with them. The unrealized overdue interest has been shown as Deferred Accrued Interest.

Sd/-
(Jai Gopal Mahajan)
Chief Manager (F&A)/ Company Secretary

Sd/-
(Sarvepalli Srinivas)
Managing Director

Sd/-
(Balvinder Kumar)
Chairman

FINANCE CHARGES:

Finance charges levied on customers of Dyes & Chemicals are recognized as revenue on receipt basis in view of uncertainty in its ultimate collection.

ACCOUNTING OF RETIREMENT BENEFITS:

- (a) Liability towards Gratuity is provided based on the actuarial valuation as per AS - 15.
- (b) Liability towards Leave Encashment is provided based on the actuarial valuation as per AS-15.
- (c) Leave travel concession is allowed as per rules of the corporation and booked in accounts in the year in which it is availed by the employees.

PRIOR PERIOD ADJUSTMENTS:

Prior Period Adjustments are those adjustments applicable to prior periods arising from correction of fundamental errors & omissions.

RESERVE FOR DEVELOPMENTAL ACTIVITIES:

Expenditure incurred by the Corporation on developmental activities from its own sources including expenditure incurred over and above the grant-in-aid received from Government of India are charged to Reserve for Developmental Activities directly which have been appropriated out of profits of the Corporation.

SEGMENT ACCOUNTING POLICY:

Segment Accounting policies are in line with the accounting policies of the corporation. However, the following specific accounting policies have been followed for segment reporting:

- a) Segment Revenue includes sales and other income directly identifiable with/ allocable to the segments including inter-segment revenue. The income, which relate to the corporation as a whole and not allocable to the segments is included in "Other Un-allocable Income".
- b) Expenses that are directly identifiable with/ allocable to the segments are considered for determining the segment's result. The expenses, which relate to the corporation as a whole and not allocable to the segments are included under "Other Un-allocable Expenditure".
- c) Segment assets and liabilities include those directly identifiable with the respective segments. Un-allocable corporate assets and liabilities represent the assets and liabilities that relate to the corporation as a whole and not allocable to any segment.

TAXES ON INCOME:

Tax income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of Income Tax Act 1961 and based on the expected outcome of assessments/ appeals.

Deferred tax is recognized on timing difference between the accounting income and the taxable income for the year and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

Deferred tax assets are recognized and carried forward to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Sd/-
(Jai Gopal Mahajan)
Chief Manager (F&A)/ Company Secretary

Sd/-
(Sarvepalli Srinivas)
Managing Director

Sd/-
(Balvinder Kumar)
Chairman

NATIONAL HANDLOOM DEVELOPMENT CORPORATION LIMITED
BALANCE SHEET AS AT 31st MARCH 2013

	PARTICULARS	NOTE NO.	Figures as at the end of current reporting period (Rs.)	Figures as at the end of the previous reporting period (Rs.)
	1	2	3	4
I.	EQUITY AND LIABILITIES			
1	Shareholder's funds			
a)	Share Capital	1	190000000	190000000
b)	Reserves and Surplus	2	216390201	164748589
2	Non- current liabilities			
a)	Deferred tax liabilities (Net)	3	-11235175	-5437157
b)	Other long term liabilities (Corpus)	4	210819053	190529903
c)	Other long term liabilities	4	-	-
d)	Long term provisions	5	-	-
3	Current liabilities			
a)	Short term borrowings	6	-	-
b)	Trade payables	7	1416897629	1191999888
c)	Other current liabilities	8	727549320	332589544
d)	Short term provisions	9	162323734	87194199
	TOTAL		2912744762	2151624966
II.	ASSETS			
	Non current assets			
1 (a)	Fixed Assets			
i)	Tangible assets	10	25566717	25201902
ii)	Intangible assets	11	449755	507494
iii)	Capital work in progress	12	16520592	16142471
b)	Long term loans and advances	13	313392	256017
c)	Other non current assets(Corpus)	14	210819053	190529903
2	Current assets			
a)	Inventories	15	8070315	17524238
b)	Trade receivable	16	1308087751	1143963403
c)	Cash and cash equivalents	17	1034743957	454499075
d)	Short term loans and advances	18	282872241	291123380
e)	Other current assets	19	25300989	11877083
	TOTAL		2912744762	2151624966

Note 1 to 30 and significant Accounting Policies annexed to Balance sheet as at the end of current reporting period and Statement of Profit and Loss and cash flow for the year ended on that date form an integral part of Accounts.

	Sd/-	Sd/-	Sd/-	
	Jai Gopal Mahajan	Sarvepalli Srinivas	Balvinder Kumar	
	Ch. Manager (F&A)/ Company Secretary	Managing Director	Chairman	
			As per our Report of even date	
			For K. Kanjaria & Co.	
			Chartered Accountants	
			Sd/-	
			Kamlesh Kumar	
			Partner	
Place:	Lucknow		M.No. 017510	
Date:			F.R.No. 000449C	

NATIONAL HANDLOOM DEVELOPMENT CORPORATION LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2013

PARTICULARS	NOTE NO.	Figures for the current reporting period (Rs.)	Figures for the previous reporting period (Rs.)
I. (a) Revenue from operations	20	13754656813	11010692987
(b) Grant inaid against reimbursement of expenditure under MGPS	20	952518108	522542707
II. Other Income	21	85299686	33457328
III. Total Revenue (I+II)		14792474607	11566693022
IV. Expenses:			
Purchases of stock in trade	22	14023908812	10996169643
Reimbursement of Transportation/depot charges	23	452092596	364119290
Changes in inventories/stock in trade	24	-1239782	743971
Employee benefits expenses	25	180884964	133999202
Finance costs	26	13899	8177
Depreciation and amortization expenses	10 & 11	1727537	1625761
Other expenses	27	27315947	27191317
Total Expenses		14684703973	11523857361
V. Profit before exceptional and extraordinary items and tax (III-IV)		107770634	42835661
VI. Exceptional items	28	4550216	1627824
VII. Profit before extraordinary items and tax (V-VI)		103220418	41207837
VIII. Extraordinary Items			
IX. Profit before tax (VII- VIII)		103220418	41207837
X Tax expense:			
1 Current Tax	29	39279262	14391824
2 Deferred Tax	3	-5798018	-1408355
XI. Profit (Loss) for the period from continuing operations (IX - X)		69739174	28224368
XII. Profit/loss from discontinuing operations			
XIII. Tax expenses of discontinuing operations			
XIV. Profit/(loss) from discontinuing operations (after tax) (XII-XIII)		0	0
XV. Profit(Loss) for the period (XI + XIV)		69739174	28224368
XVI. (i) Earnings per equity share (Before extra ordinary items)			
(1) Basic		39.10	15.71
(2) Diluted		39.10	15.71
(ii) Earnings per equity share (After extra ordinary items)			
(1) Basic		36.70	14.85
(2) Diluted		36.70	14.85

Note 1 to 30 and significant Accounting Policies annexed to Balance sheet as at the end of current reporting period and Statement of Profit and Loss and cash flow for the year ended on that date form an integral part of Accounts.

Sd/-	Sd/-	Sd/-
Jai Gopal Mahajan Ch. Manager (F&A)/ Company Secretary	Sarvepalli Srinivas Managing Director	Balvinder Kumar Chairman
		As per our Report of even date For K. Kanjaria & Co. Chartered Accountants
		Sd/- Kamlesh Kumar Partner
Place: Lucknow		M.No. 017510
Date:		F.R.No. 000449C

NOTES ON ACCOUNTS

1 SHARE CAPITAL

	Figures as at the end of current reporting period (Rs.)		Figures as at the end of the previous reporting period (Rs.)	
Authorised				
20,00,000 Equity shares (Previous year 20,00,000 Equity shares) of Rs. 100/- each	<u>20,00,00,000</u>		<u>20,00,00,000</u>	
Issued, Subscribed & Paid-up				
18,98,465 Equity shares of Rs. 100/- each fully paid in cash held by Government of India through DCH office (Previous year 18,98,465 Equity shares of Rs. 100/- each)	189846500		189846500	
1,535 Equity shares of Rs. 100/- each fully paid up without payment being received in cash (Shares allotted to The President of India through DCH Office against ompany's incorporation expenses, (Previous year 1,535 equity shares of Rs. 100/- each)	153500		190000000	
TOTAL	190000000		190000000	

2 RESERVES & SURPLUS

	Figures as at the end of current reporting period (Rs.)		Figures as at the end of the previous reporting period (Rs.)	
(A) RESERVES:				
(I) Reserve for developmental Activities				
as per last Balance sheet	2500070		2496231	
Add : Amount transferred from Statement of Profit & Loss	1505000		1175000	
Less: Utilisation during the year	1505101		1171161	
Total(i)	2499969		2500070	
(II) Post Retirement Medical Corpus				
As per last Balance sheet	1408028		1013145	
Add : Amount transferred from Statement of Profit & Loss	412000		641000	
Add : Interest Accrued	276572		-	
Less: Utilisation during the year	372738		246117	
Total(ii)	1723862		1408028	
Total(i+ii)	4223831		3908098	
(B) SURPLUS				
As per last Balance sheet	160840491		141056813	
Add : Amount transferred from Statement of Profit & Loss				
Current year profit	69739174		28224368	
Less:-				
Proposed Dividend	14100000		5700000	
Corporate Tax on Dividend	2396295		924690	
Amount transferred to reserve for developmental activity	1505000		1175000	
Transferred to post retirement medical corpus	412000		641000	
SURPLUS(B)	212166370		160840491	
TOTAL (A+B)	216390201		164748589	
Proposed Dividend per Equity Share	7.42		3.00	

Sd/-
Jai Gopal Mahajan
Ch. Manager (F&A)/ Company Secretary

Sd/-
Sarvepalli Srinivas
Managing Director

Sd/-
Balvinder Kumar
Chairman

An amount of Rs.412000 (Previous year Rs.641000) being 1% of the profit before tax (PBT) for FY 2011-12 has been contributed to the " Post Retirement Medical Corpus" during FY 2012-13. The medical benefit under "Post Retirement Medical Scheme" shall be allowed to the superannuated employees by utilising the said corpus.

3 DEFERRED TAX LIABILITY (Net)

The break up of net deferred tax liability as at the end of current reporting period is as under:

Components of Deferred Tax Assets and Deferred Tax Liability	As at the end of current reporting period	
	Deferred Tax Assets (Rs.)	Deferred Tax Liability (Rs.)
Deferred Tax Liabilities		
Difference between book value of depreciable assets as per books of accounts and written down value as per tax depreciation		6371137
Other deferred tax liability giving rise to timing difference		5818911
Deferred Tax Assets		
Provision for doubtful debts and advances etc.	6889559	
Provision for leave salary	16472903	
Other deferred tax asset giving rise to timing difference	62761	
Total	23425223	12190048
Net Deferred Tax Liability/ (Asset) as at the end of current reporting period		-11235175

4 NON CURRENT LIABILITIES – OTHER LONG TERM LIABILITIES

I) Other Long Term Liability (Corpus)

	Figures as at the end of current reporting period (Rs.)	Figures as at the end of the previous reporting period (Rs.)
(A) Corpus Fund (Marketing Complex)		
a) Receipt from Govt. of India	82580850	82580850
b) Less: Amount paid for acquisition of space for complexes on behalf of agencies	88292028	87658221
c) Add: Amount realised from agencies including adjustments	94354957	93492963
d) Less: Amount adjusted/ refunded to Govt.	48158949	48158949
e) Principle amount refundable to Govt. (a-d)	34421901	34421901
f) Recievable from agencies (b-c)	-6062929	-5834742
g) Balance (a-b+c-d) or (e-f)	40484830	40256643
h) Amount of Interest accrued less miscellaneous expenditure	96130619	83000634
Total (g+h)	136615449	123257277
(B) Corpus Fund (Mega Cluster)		
a) Receipt from Govt. of India	65000000	65000000
b) Less: Amount transferred for utilisation in Mega Cluster	7500000	7500000
c) Balance (a-b)	57500000	57500000
d) Amount of Interest accrued less miscellaneous expenditure	16703604	9772626
Total (c+d)	74203604	67272626
GRAND TOTAL (A+B)	210819053	190529903

Sd/-
Jai Gopal Mahajan
Ch. Manager (F&A)/ Company Secretary

Sd/-
Sarvepalli Srinivas
Managing Director

Sd/-
Balvinder Kumar
Chairman

II) Other Long Term Liabilities

	Figures as at the end of current reporting period (Rs.)	Figures as at the end of the previous reporting period (Rs.)
Security Deposit	-	-
Total	0	0

- i) As per Government directives, funds released by the Government of India for outright purchases of Marketing Complexes on behalf of user agencies at Mumbai, Indore and New Delhi, after initially crediting them to corpus fund account have been utilized as per terms of relevant sanction order. The expenditure incurred on setting up of marketing complexes has been charged to corpus fund. The amount received from the agencies and interest earned on fixed deposits has been credited thereto.
- ii) Further, out of Rs. 88292028 (Previous year Rs.87658221) being total amount recoverable from user agencies against purchase cost and ground rent, an amount of Rs.1522241 (Previous year Rs. 1631515) is outstanding as at the end of current reporting period from 2 nos. agencies (Previous year 3 nos. agencies) and Rs.4631286 (Previous year Rs.4589032) pending against vacant shops – 2 nos. (Previous year 02 nos.) at Delhi marketing complex. Amount received from agencies till the end of current reporting period includes Rs. 500000 (Previous year Rs. 500000) received from 1 no. agencies (Previous year 01 no. agency), who have now opted out.
- iii) As per Government directives, the funds released by Govt. of India for use as 'rotating working capital' for supply of yarn to the Handloom weavers in Varanasi and Sivsagar Mega cluster have been utilised as per terms of relevant sanction order. The fund has been used as working capital for supplying yarn to the Handloom agencies recommended by the State Director (Handlooms). The amount of interest earned on fixed deposits after adjusting the Misc. expenditure if any, has been credited thereto.

5 NON - CURRENT LIABILITIES - LONG TERM PROVISION

	Figures as at the end of current reporting period (Rs.)	Figures as at the end of the previous reporting period (Rs.)
	0	0

6 CURRENT LIABILITIES - SHORT TERM BORROWINGS

	Figures as at the end of current reporting period (Rs.)	Figures as at the end of the previous reporting period (Rs.)
Secured Loans		
From banks against hypothecation of book debts and moveable assets	-	-
	0	0

Corporation has taken an over-draft limit of Rs. 7000000 at Head Office Lucknow & Rs. 2000000 at Regional Office Panipat against security of Fixed Deposits. Out of Rs. 7000000 a sub limit of Rs. 3500000 has been given to Regional Office Kolkata.

Sd/-
Jai Gopal Mahajan
Ch. Manager (F&A)/ Company Secretary

Sd/-
Sarvepalli Srinivas
Managing Director

Sd/-
Balvinder Kumar
Chairman

7 CURRENT LIABILITIES – TRADE PAYABLES

	Figures as at the end of current reporting period (Rs.)	Figures as at the end of the previous reporting period (Rs.)
Sundry creditors (Includes Rs 789725907 payable to S.S.I units – Previous year Rs.514082426)	1348573462	1128112393
Advance from customers/others	68324167	63887495
Total	1416897629	1191999888

i) The balance confirmation is a continuous process. The year end balances as at the end of current reporting period has been sent to all the creditors and other parties for confirmation, however, confirmation has been received as follows:-

Particulars	Total		Confirmation received as at the end of current reporting period		% of Confirmation of balances as at the end of current reporting period	
	No. of agencies	Amount outstanding (Rs.)	No. of agencies	Amount outstanding (Rs.)	No. of agencies (%)	Amount outstanding (Rs.)
Creditors	482	1348573462	133	684174748	27.59	50.73
Advance from customers/ others.	1389	68324167	25	7432185	1.80	10.88

The confirmed balances shown above do not include those, where there is any dispute, but only those balances where the entries on account of difference/ reconciliation are acceptable to both the parties. The balances which are pending for confirmation will be reviewed and reconciled in due course and the adjustment, if any, required in these cases will be made as soon as reconciled.

ii) Sundry Creditors include amount of Rs. 299234610 (Previous year Rs. 119032362) payable to Small Scale Industries, outstanding for more than 30 days as at the end of current reporting period.

The amount due to creditors being small scale industries as above has been withheld based on the arrangement with them, wherein, the payment will be released to them only after getting the payment from the corresponding debtors.

iii) Besides above, there are no micro and small enterprises, to whom the company owes dues which are outstanding for more than 45 days as at the end of current reporting period. This information is required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006, has been determined to the extent such parties had been identified on the basis of information available with the corporation. This has been relied upon by the auditors.

8 CURRENT LIABILITIES – OTHER CURRENT LIABILITIES

	Figures as at the end of current reporting period (Rs.)	Figures as at the end of the previous reporting period (Rs.)
Security deposits	613722	613722
Govt. grants/participation money (See detail below)	16477029	32475812
Retention money	341649	341649
Earnest money	488762	471762
Corpus fund (Cluster development)	114790437	106567663
Corpus fund (Mega Cluster)	7500000	7500000
Advance against 10% Yarn Sundry component of MGPS	314536517	0
Transportation and depot payable	253500908	167081839
Other Liabilities	19300296	17537097
Total	727549320	332589544

Sd/-
Jai Gopal Mahajan
Ch. Manager (F&A)/ Company Secretary

Sd/-
Sarvepalli Srinivas
Managing Director

Sd/-
Balvinder Kumar
Chairman

i) Grant Statement

NATIONAL HANDLOOM DEVELOPMENT CORPORATION LIMITED

DETAILS OF GOVERNMENT GRANTS & PARTICIPANTS MONEY FOR THE CURRENT REPORTING PERIOD

SL. NO.	PARTICULARS	OPENING BALANCE 1.4.2012	RECEIVED DURING THE YEAR FROM GOVT.	FROM PARTICIPANTS	TOTAL 6	TRANSACTIONS DURING THE YEAR EXPENSES	REFUND/ADJUSTMENT/ TRANSFER	TOTAL 9	BALANCE AS ON 31-03-2013 10
1	2	3	4	5	(3+4+5)	7	8	(7+8)	(6-9)
1	MARKETING EXHIBITION EXPENSES								
a	SILK FAB, COIMBATORE	0	1000000	635933	1635933	2495270	-859337	1635933	0
b	SILK FAB, CHANDIGARH	0	1906914	617085	2523999	2523999	0	2523999	0
c	SILK FAB JAIPUR	0	1000000	952007	1952007	2867357	-915350	1952007	0
d	SILK FAB JAMSHEDPUR	0	1437118	535817	1972935	1972935	0	1972935	0
e	SILK FAB, JABALPUR	0	1921332	941250	2862582	2862582	0	2862582	0
f	SILK FAB MUMBAI	0	1926364	2805652	4732016	4732016	0	4732016	0
g	SILK FAB BHOPAL	0	1000000	778562	1778562	2337460	-558898	1778562	0
h	SILK FAB, AHMEDABAD	0	1956452	1373933	3330385	3330385	0	3330385	0
i	SILK FAB, SURAT	0	1922126	818165	2740291	2740291	0	2740291	0
j	SILK FAB, PATNA	0	1000000	1142809	2142809	3090675	-947866	2142809	0
k	SILK FAB KOLKATA	0	1927084	1221717	3148801	3148801	0	3148801	0
l	SILK FAB INDORE	0	1000000	1440101	2440101	3375729	-935628	2440101	0
m	SILK FAB NAGPUR,	0	1000000	644453	1644453	2238810	-594357	1644453	0
n	SILK FAB CHENNAI	0	1992849	1571829	3564678	3564678	0	3564678	0
o	SILK FAB SECUNDERABAD	0	1971895	1632530	3604425	3604425	0	3604425	0
p	SILK FAB LUCKNOW	0	1865052	1012448	2877500	2877500	0	2877500	0
q	SILK FAB RANCHI 1(11-12)	977657	925699	582083	2485439	2485439	0	2485439	0
r	WOOL FAB, BHOOPAL,	0	1352593	263723	1616316	1616316	0	1616316	0
S	WOOL FAB, LUCKNOW,	0	1000000	311931	1311931	2158466	-846535	1311931	0
t	SILK FAB VIJAYWADA	0	1000000	47500	1047500	1096467	-48967	1047500	0
u	SILK FAB CHENNAI 2011-12	1000000	0	0	1000000	0	0	0	1000000
v	SILK FAB MUMBAI 2011-12	1000000	0	0	1000000	0	0	0	1000000
w	SILK FAB SURAT 2011-12	1000000	0	0	1000000	0	0	0	1000000
x	SILK FAB JAMSEDPUR (2011-12)	1000000	0	0	1000000	0	0	0	1000000
y	SILK FAB VISAKHAPATNAM (2011-12)	1000000	0	0	1000000	0	0	0	1000000
z	SILK FAB BANGLORE (2011-12)	1000000	0	0	1000000	0	0	0	1000000
a	SILK FAB EARNAKULAM (2011-12)	1000000	0	0	1000000	0	0	0	1000000
aa	SILK FAB RANCHI (2011-12)	1000000	0	0	1000000	0	0	0	1000000
2	CLUSTER DEV. PROGRAMME (BURDWAN)	0	1402000		1402000	1402000	0	1402000	0
3	TRAINING PROGRAMME								
a	VARANASI H/L MEGA CLUSTER 04 EXTENSION COUNTER	485362	0	0	485362	565914	-80552	485362	0
b	GRANT FOR INFORMATION EDUCATION&COMMUNICATION	18640000	0	0	18640000	12923146	0	12923146	5716854
c	GRANT FOR SUPPLY OF H/L PARTS	0	2000000	0	2000000	0	0	0	2000000
d	ORGANISING SEMINAR ON DISSEMINATION OF GOVT. SCHEMES	0	0	0	0	421112	-421112	0	0
e	QUALITY DYEING TRAINING PROGRAMME	0	0	0	0	318659	-318659	0	0
f	PRODUCT DIVERSIFICATION	0	0	0	0	355523	-355523	0	0
g	BUYER SELLER MEET AT KANNUR BHUBANESHWAR HYD	0	124500	0	124500	221719	-97219	124500	0
h	BUYER SELLER MEET AT COIMBATORE	0	92000	0	92000	184000	-92000	92000	0
j	BUYER SELLER MEET AT GUWAHATI	0	224100	0	224100	322824	-98724	224100	0
j	BUYER SELLER MEET AT IMPHAL	0	0	0	0	354922	-354922	0	0
k	BUYER SELLER MEET- HP, J&K-UTTANCHAL	0	150000	0	150000	276353	-126353	150000	0
4	APPROPRIATE TECHNOLOGY EXHIBITION								
a.	ATE JAMMU	284660	0	0	284660	-2340	287000	284660	0
5	WEAVERS AWARENESS CAMP	2919586	0	0	2919586	2159411	0	2159411	760175
6	WEAVERS HEALTH INSURANCE	1168547	0	0	1168547	22682	1145865	1168547	0
	TOTAL	32475812	33098078	19329528	84903418	74645526	-6219137	68426389	16477029

Sd/-
Jai Gopal Mahajan
Ch. Manager(F&A)/ Company Secretary

Sd/-
Sarvepalli Srinivas
Managing Director

Sd/-
Balvinder Kumar
Chairman

- ii) Corpus Fund (Cluster Development) amounting to Rs. 114790437 (Previous year Rs.106567663) received from 340 clusters (Previous year 309 clusters) as Corpus Fund for supply of yarn under the Integrated Handloom Cluster Development Scheme of Govt. of India.
- iii) Corpus Fund (Mega Cluster) amounting to Rs. 7500000 (Previous year Rs. 7500000) in respect of 2 Mega Clusters (Previous year 2 Mega Cluster) has been transferred to the concerned field offices for facilitating the supply of yarn to the handloom weavers in those Mega Clusters.
- iv) Other liabilities include Rs.8095183 (Previous year Rs.9386558) refundable on account of participation money received towards exhibition from agencies. The amount shall be refunded against demand/ final settlement.
- v) Corporation has received a sum of Rs. 620500000 as advance against 10% Yarn Subsidy component of MGPS (vide Sanction No- 2/1/2011-12/DCH/P&S/HYS/MGPS) out of which during the current financial year a sum of Rs. 305963483 has been utilised & the remaining balance of Rs. 314536517 is lying as at the end of current reporting period.

9 CURRENT LIABILITIES – SHORT TERM PROVISIONS (Rs.)

	Balance as at the end of previous reporting period	Addition during the year	Total	Payment/ utilisation/ charged off	Written back during the year	Balance as at the end of current reporting period
Income tax	14330000	39279262	53609262	14334262		39275000
Accrued leave	47101045	23498274	70599319	7012744		63586575
Provision for gratuity liability	6676464	29353864	36030328	6676464		29353864
Provision for ex-gratia	12462000	13612000	26074000	12441105	20895	13612000
Proposed dividend	5700000	14100000	19800000	5700000		14100000
Corporate tax on proposed dividend	924690	2396295	3320985	924690		2396295
	87194199	122239695	209433894	47089265	20895	162323734

i) The Proposed dividend per equity share for the current reporting period is Rs. 7.42 (Previous year Rs.3.00).

ii) Defined Benefit Plan

The obligation for leave encashment and gratuity is recognized based on the present value of obligation determined by actuarial valuation using the Projected Unit Credit Method as per revised AS-15.

The reconciliation of opening and closing balances of defined benefit obligation in respect of leave encashment and gratuity is as below:-

Particulars	(Rs.)	
	Leave Encashment	
	For the current reporting period	For the previous reporting period
Defined benefit obligation at the beginning of the year as per actuarial valuation	47101045	42451496
Add: Amount received from new joinee etc. from other PSU.	226751	0
Add: Amount provided by charging to current year's expenses	23498274	8081591
Less : Benefit paid/ leaves en-cashed	7239495	3432042
Defined benefit obligation at year end	63586575	47101045

Corporation is maintaining a Gratuity fund with M/s LIC wherein annual contribution is made to the fund based on the amount determined by it. However, the corporation is also getting the actuarial valuation done from an independent actuary, as per AS-15 at the year end.

Sd/-
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Sd/-
Sarvepalli Srinivas
Managing Director

Sd/-
Balvinder Kumar
Chairman

The gratuity liability in excess of the amount available in the Gratuity fund (maintained with M/s LIC) as at the end of current reporting period has been shown as provision for gratuity liability as under:-

Particulars	(Rs.)	
	GRATUITY	
	For the current reporting period	For the previous reporting period
Defined benefit obligation at the beginning of the year with LIC	69297589	58112936
Add : Interest earned on funds with LIC	6827795	5704866
Add : Contribution paid and charged to current year's expenses.	6858856	9781477
Less : Benefit paid/ claim settled.	3118178	4301690
Defined benefit obligation at year end with LIC.	79866062	69297589
Add : Further provision made against contribution towards Gratuity fund.	29353864	6676464
Defined benefit obligation at year end after provision.	109219926	75974053

ACTUARIAL ASSUMPTION

	GRATUITY		LEAVE ENCASHMENT	
	For the current reporting period	For the previous reporting period	For the current reporting period	For the previous reporting period
Mortality table				
Rate of discounting.	8.00%	8.50%	8.00%	8.50%
Future salary rise.	11.00%	7.50%	11.00%	7.50%
Attrition rate.	2.00%	2.00%	2.00%	2.00%

NHDC GRATUITY AS AT THE END OF CURRENT REPORTING PERIOD

I. ASSUMPTIONS:

For the current reporting period (Rs.)

Discount rate Previous year	8.50%
Rate of return on Plan Assets Previous year	8.60%
Salary Escalation Previous year	7.50%
Attrition Rate Previous year	2.00%
Discount Rate Current year	8.00%
Rate of return on Plan Assets Current year	8.70%
Salary Escalation Current year	11.00%
Attrition Rate Current year	2.00%

II. Table showing change in Benefit Obligation

For the current reporting period (Rs.)

Liability at the beginning of the year	75974053
Interest cost	6457795
Current Service Cost	3448847
Past Service Cost (Non vested Benefit)	
Past Service Cost (Vested Benefit)	
Settlement	
Liability Transfer in	
Liability Transfer out	
Benefit Paid	-3118178
Actuarial (gain) / loss on obligations	26457409
Liability at the end of the year	109219926

III. Tables of fair Value of Plan Assets

For the current reporting period (Rs.)

Fair Value of Plan Assets at the beginning of the year	69297589
Expected Return on Plan Assets	5959593
Contributions	6858856
Transfer from other company	0
Transfer to other company	0
Benefit Paid	-3118178
Actuarial gain/ (loss) on Plan Assets	868202
Fair Value of Plan Assets at the end of the year	79866062
Total Actuarial Gain/ (Loss) to be recognized	

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Chairman

IV. Recognition of Transitional Liability	For the current reporting period (Rs.)
Transitional Liability at start	0
Transitional Liability recognized during year	0
Transitional Liability at end	0
<hr/>	
V. Actual Return on Plan Assets	For the current reporting period (Rs.)
Expected Return on Plan Assets	5959593
Actuarial gain/ (loss) on Plan Assets	868202
Actual Return on Plan Assets	6827795
<hr/>	
VI. Amount Recognition in the Balance sheet	For the current reporting period (Rs.)
Liability at the end of the year	79866062
Fair Value of Plan Assets at the end of the year	-109219926
Difference	-29353864
Unrecognized Past Service Cost	0
Unrecognized Transition Liability	0
Amount Recognized in the Balance sheet	-29353864
<hr/>	
VII. Expenses Recognized in the Income statement	For the current reporting period (Rs.)
Current Service Cost	3448847
Interest Cost	6457795
Expected Return on Plan Assets	-5959593
Past Service Cost (Non vested Benefit) recognized	0
Past Service Cost (Vested Benefit) recognized	0
Recognition of Transition Liability	0
Actuarial (Gain) or Loss	25589207
Expense recognized in Statement of Profit & Loss	29536256
<hr/>	
VIII. Balance sheet reconciliation	For the current reporting period (Rs.)
Opening Net Liability	6676464
Expenses as above	29536256
Transfer from other company (Net)	0
Transfer to other company (Net)	0
Employer's contribution	-6858856
Amount recognized in Balance sheet	29353864

Sd/-
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Ch. Manager (F&A) Company Secretary

Sd/-
Sarvepalli Srinivas
Managing Director

Sd/-
Balvinder Kumar
Chairman

IX. Other Details	For the current reporting period (Rs.)
Gratuity is payable at the rate of 15 days salary for each year of service subject to maximum of Rs.10,00,000/-.	0
Actuarial gain/ loss is accounted in the year of occurrence.	0
As the investment is with the insurance company, list of investment is not available so expected return is assumed to be available on risk free investment like PPF.	0
Salary Escalation is considered as advised by the company which is in line with the industry practice considering promotion and demand & supply of the employees.	0
No. of members.	198
Salary per month	7426928
Contribution for next year	7426928
X. Category of Assets	For the current reporting period (Rs.)
Government of India Assets	0
Corporate Bonds	0
Special Deposits Scheme	0
State Government	0
Property	0
Other	0
Insurer Managed Funds	79866062
Total	79866062
XI. Experience Adjustment	For the current reporting period (Rs.)
On Plan liability (Gain)/ Loss	6679229
On Plan asset (Loss)/ Gain	868202

Sd/-
Jai Gopal Mahajan
Ch. Manager (F&A)/ Company Secretary

Sd/-
Sarvepalli Srinivas
Managing Director

Sd/-
Balvinder Kumar
Chairman

10	NON CURRENT ASSETS- TANGIBLE ASSETS							(Rs.)	
	For the current reporting period							For the previous reporting period	
	LAND	BUILDING	FURNITURE & FIXTURE	OFFICE & ELECTRICAL EQUIPMENT	VEHICLE	COMPUTERS	TOTAL		
GROSS BLOCK									
As at beginning of the year	3976644	19865850	4415230	5562836	2556625	8869209	45246394	43495197	
Addition during the year	0	0	146387	585208	0	1292511	2024106	2547947	
Transfer/ Sale/ Adjustments during the year	0	0	0	-69196	0	-224514	-293710	-796750	
As at end of the year	3976644	19865850	4561617	6078848	2556625	9937206	46976790	45246394	
DEPRICIATION									
As at beginning of the year	0	7237559	3153433	2166652	963786	6523062	20044492	19102704	
Transfer/ Sale/ Adjustments during the year	0	0	0	-46971	0	-213287	-260258	-613831	
Depreciation during the year	0	294513	175782	257098	241120	657326	1625839	1555619	
As at end of the year	0	7532072	3329215	2376779	1204906	6967101	21410073	20044492	
NET BLOCK									
As at beginning of the year	3976644	12628291	1261797	3396184	1592839	2346147	25201902	24392493	
As at end of the year	3976644	12333778	1232402	3702069	1351719	2970105	25566717	25201902	
Fixed Assets include office building, pending transfer formality of the property and registration with the Appropriate Authorities, amounting to Rs.21.63 lac (Previous year Rs.21.63 lac) at Mumbai, for which possession has been taken of the premises but Registration charges for the same will be capitalized as and when incurred.									
An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the statement of profit and loss in the year in which the asset is identified as impaired. The assets as appearing in the books of accounts of the corporation at year end have the value at which they are appearing therein and the impairment, if any, has been shown in the Note 28, to the balance sheet.									
11	NON CURRENT ASSETS- INTANGIBLE ASSETS		(Rs.)						
	COMPUTER SOFTWARE								
	For the current reporting period	For the previous reporting period							
GROSS BLOCK									
As at beginning of the year	2349401	2154401							
Addition during the year	43959	195000							
Transfer/ Sale/ Adjustments during the year									
As at end of the year	2393360	2349401							
DEPRICIATION									
As at beginning of the year	1841907	1771765							
Adjustment during the year	0								
Depreciation during the year	101698	70142							
As at end of the year	1943605	1841907							
NET BLOCK									
As at beginning of the year	507494	382636							
As at end of the year	449755	507494							
Sd/-			Sd/-			Sd/-			
Jai Gopal Mahajan			Sarvepalli Srinivas			Balvinder Kumar			
Ch. Manager (F&A) Company Secretary			Managing Director			Chairman			

12 NON CURRENT ASSETS - CAPITAL WORK IN PROGRESS

	Figures as at the end of current reporting period (Rs.)	Figures as at the end of previous reporting period (Rs.)
Capital work in progress	16520592	16142471
TOTAL	16520592	16142471

13 NON CURRENT ASSETS - LONG TERM LOAN AND ADVANCES

	Figures as at the end of current reporting period (Rs.)	Figures as at the end of previous reporting period (Rs.)
Security Deposit	313392	256017
TOTAL	313392	256017

14 OTHER NON CURRENT ASSETS (CORPUS)

	Figures as at the end of current reporting period (Rs.)	Figures as at the end of previous reporting period (Rs.)
(A) Deployment of Corpus Fund (Marketing Complexes)		
In Current account	575342	552586
In Fixed deposit account	131821837	118800000
Interest accrued but not due on fixed deposit	4218270	3904691
TOTAL (A)	136615449	123257277

	Figures as at the end of current reporting period (Rs.)	Figures as at the end of previous reporting period (Rs.)
(B) Deployment of Corpus Fund (Mega Cluster)		
In Current account	25000	25000
In Fixed deposit account	67677140	61682772
Interest accrued but not due on fixed deposit	6501464	5564854
TOTAL(B)	74203604	67272626
GRAND TOTAL(A+B)	210819053	190529903

15 CURRENT ASSETS - INVENTORIES

	Figures as at the end of current reporting period (Rs.)	Figures as at the end of previous reporting period (Rs.)
(As taken, valued and certified by the management)		
- Stock-in-trade - At cost (less written off for obsolescence) or net realisable value whichever is less.	8070315	6830533
- Goods in Transit	0	10693705
TOTAL	8070315	17524238

Sd/-
Jai Gopal Mahajan
Ch. Manager (F&A)/ Company Secretary

Sd/-
Sarvepalli Srinivas
Managing Director

Sd/-
Balvinder Kumar
Chairman

16 CURRENT ASSETS- TRADE RECEIVABLE

	Figures as at the end of current reporting period (Rs.)	Figures as at the end of previous reporting period (Rs.)
SUNDRY DEBTORS (unsecured)		
i) Over six months		
- Considered good	90584222	94593422
- Considered doubtful	17593310	15858418
	108177532	110451840
- Less: Provision for doubtful debts	-17593310	-15858418
	90584222	94593422
ii) Others (Considered good)	1217503529	1049369981
TOTAL	1308087751	1143963403

i) The balance confirmation is a continuous process. The year end balances as at the end of current reporting period has been sent to all the Trade Receivables for confirmation, however, confirmation has been received as follows:-

Particulars	Total		Confirmation received as at the end of current reporting period		% of Confirmation of balances as at the end of current reporting period	
	No. of agencies	Amount outstanding (Rs.)	No. of agencies	Amount outstanding (Rs.)	No. of agencies (%)	Amount outstanding (%)
Trade Receivables	1200	1325681061	209	747889003	17.42	56.42

The confirmed balances shown above do not include those, where there is any dispute, but only those balances where the entries on account of difference/ reconciliation are acceptable to both the parties. The balances which are pending for confirmation will be reviewed and reconciled in due course and the adjustment, if any, required in these cases will be made as soon as reconciled.

ii) Trade Receivables for Rs.1325681061 (Previous year Rs.1159821821) include a sum of Rs. 17136753 (Previous year: Rs.13915073) for which suits have been filed by the corporation with appropriate courts. Further, Trade Receivables include Rs.21345787 (Previous year Rs. 19300053) receivable against supply of fabric wherein the corporation is having corresponding dues to creditors, payable only after realization. The fabric creditors are Rs. 22820090 (Previous year Rs. 21558743). Trade Receivables also includes a sum of Rs. 59595399 (Previous year Rs.66281578) wherein supplies have been made against the revolving advance received by the corporation as Corpus Fund (Cluster Development)

iii) The details of provision for doubtful Trade Receivables is placed herein below:-

Particulars	Balance as at the end of previous reporting period	Addition during the year	Total	Amount realized/ adjusted	Written off during the year	(Rs.)
						Balance as as at the end of current reporting period
Provision for doubtful Trade Receivables.	15858418	3146679	19005097	1411787	0	17593310

17 CURRENT ASSETS - CASH & CASH EQUIVALENTS

	Figures as at the end of current reporting period (Rs.)	Figures as at the end of previous reporting period (Rs.)
Balances with scheduled bank	294940814	179182108
Balances with non- scheduled bank	912817	362782
Cash and stamps in Hand	99092	51904
Bank deposits upto 12 month	738791234	274902281
Bank deposit exceeding 12 month	-	-
TOTAL	1034743957	454499075

Sd/-
Jai Gopal Mahajan
Ch. Manager (F&A)/ Company Secretary

Sd/-
Sarvepalli Srinivas
Managing Director

Sd/-
Balvinder Kumar
Chairman

	Figures as at the end of current reporting period (Rs.)		Figures as at the end of previous reporting period (Rs.)	
(i) Secured loans (considered good)				
- Vehicle loan to staff against hypothecation of vehicles		353429		254075
(ii) Advances (Unsecured)				
(Recoverable in cash or kind or for value to be received)				
- Advance to suppliers				
- Considered good	4477484		3226770	
- Considered doubtful	1621099		1233533	
	<u>6098583</u>		<u>4460303</u>	
- Less: Provision for doubtful advances	-1621099	4477484	-1233533	3226770
(iii) Advance to staff				
- Considered good	1109043		994068	
- Considered doubtful	134470		134470	
	<u>1243513</u>		<u>1128538</u>	
- Less: Provision for doubtful advances	-134470	1109043	-134470	994068
(iv) Advance to others				
- Considered good	2696943		3960236	
- Considered doubtful	135151		193676	
	<u>2832094</u>		<u>4153912</u>	
- Less: Provision for doubtful advances	-135151	2696943	-193676	3960236
(v) Prepaid expenses		429498		359516
(vi) Advance income tax including tax deducted at source		37000000		13000000
(vii) DEPOSITS (Unsecured but considered good)				
- With Government departments		-		-
- For rent of complexes/ others				
- Considered good	841892		879892	
- Considered doubtful	86130		86130	
	<u>928022</u>		<u>966022</u>	
- Less: Provision for doubtful deposits	-86130	841892	-86130	879892
(viii) RECEIVABLES				
- From the Government of India against grant-in-aid		231648579		256587438
- Claims receivable		4024761		11590047
- Outstanding against marketing complex/ others				
- Considered good	290612		271338	
- Considered doubtful	1664419		1664419	
	<u>1955031</u>		<u>1935757</u>	
- Less: Provision for doubtful receivables	-1664419	290612	-1664419	271338
(ix) Interest outstanding from user Agencies				
Deferred accrued Interest				
- Considered good	-		-	
- Considered doubtful	17934694		17934694	
	<u>17934694</u>		<u>17934694</u>	
- Less: Provision for doubtful interest	-17934694	0	-17934694	0
TOTAL		282872241		291123380

Sd/-
Jai Gopal Mahajan
Ch. Manager (F&A)/ Company Secretary

Sd/-
Sarvepalli Srinivas
Managing Director

Sd/-
Balvinder Kumar
Chairman

i) The details of provision for doubtful assets is placed herein below:-

Particulars	(Rs.)					
	Balance as at the end of previous reporting period	Addition during the year	Total	Amount realized/ adjusted	Written off during the year	Balance as at the end of current reporting period
a) Provision for doubtful advances to suppliers.	1233533	411579	1645112	24013	0	1621099
b) Provision for doubtful advances to staff.	134470	0	134470	0	0	134470
c) Provision for doubtful advances to others.	193676	0	193676	58525	0	135151
d) Provision for doubtful deposits.	86130	0	86130	0	0	86130
e) Provision for doubtful receivables.	1664419	0	1664419	0	0	1664419
f) Provision for doubtful deferred accrued interest.	17934694	0	17934694	0	0	17934694
Total	21246922	411579	21658501	82538	0	21575963

- ii) Receivable from Government of India against grant-in-aid includes Rs. 1052988 (Previous year Rs.1892104 in respect of projects wherein claims are to be submitted to the Government as at the end of current reporting period. The above amount includes Rs.421112 (Previous year Rs.1638699) wherein no GO has yet been received.
- iii) Advances to suppliers of Rs. 6098583 (Previous year Rs. 4460303) include a sum of Rs.726947 (Previous year Rs.726947) for which suit have been filed by the Corporation with appropriate courts.
- iv) Loans and advances to Directors is Rs.Nil (Previous year Rs.Nil). Maximum amount due from directors at any time during the year was Rs.112383 (Previous year Rs.194092) being advance against Travelling bills.
- v) Claims receivables Rs. 4024761 (Previous year Rs.11590047) includes Rs. 4024761 (Previous year Rs.11590047), which is due to be refunded by the income tax authorities, wherein, the major amount has been deposited by the corporation under protest based on the demand for earlier years.
- vi) In respect of Deferred accrued interest for Rs.17934694 (Previous year Rs.17934694) as shown above, the suit has been filed by the corporation with appropriate court.
- vii) In the opinion of management, current assets, loans and advances have a value on the realization in ordinary course of business atleast equal to the amount at which they are stated in the balance sheet.

19 CURRENT ASSETS - OTHER CURRENT ASSETS

	Figures as at the end of current reporting period (Rs.)	Figures as at the end of previous reporting period (Rs.)
Interest accrued but not received	23577127	10469055
Post Retirement Medical Corpus		
-FDR against Medical Corpus	1650000	
-Accrued Interest on Medical Corpus	37752	
-Balance with Scheduled Bank in Current Account	36110	
	1723862	1408028
	25300989	11877083

20 REVENUE FROM OPERATIONS

	Figures for the current reporting period (Rs.)	Figures for the previous reporting period (Rs.)
(a) Sales less returns		
-Yarn - Mill Gate Price Scheme (MGPS)	13472312643	10417958272
Less: 10% subsidy on Hank yarn General Scheme	<u>-286680244</u>	<u>-4713273</u>
	13185632399	10413244999
-Dyes & chemicals	347237069	397930120
-Fabrics	209032957	183312943
	12754388	16204925
Total (a)	13754656813	11010692987
(b) Grant-in-aid against reimbursement of expenditure under Mill Gate Price Scheme		
10% Subsidy on Hank yarn	651503704	517593770
Service charges against 10% yarn subsidy component under Mill Gate Price Scheme	286680244	4713273
	14334160	235664
Total (b)	952518108	522542707
TOTAL (a+b)	14707174921	11533235694

Sd/-
Jai Gopal Mahajan
Ch. Manager (F&A)/ Company Secretary

Sd/-
Sarvepalli Srinivas
Managing Director

Sd/-
Balvinder Kumar
Chairman

- i) Grant in aid against reimbursement of expenditure under Mill Gate Price Scheme amounting to Rs. 952518108 (Previous year Rs.522542707) on account of supply of yarn has been accounted for on accrual basis. Out of which, claims totaling Rs. 334112590 (Previous year Rs.153992677) relating to 4th quarter & that of Varanasi- Lucknow Branch relating to current year pending for submission to the government as at the end of current reporting period.
- ii) To mitigate the cost disadvantage of Handloom sector, the Govt. of India has allowed 10% price subsidy on Hank yarn to be distributed in the Handloom sector under MGPS vide G.O. No. 6/1/2007-DCH/P&S dt. 06.01.2012. The subsidy will be provided upfront in the invoice to the beneficiaries. The corporation is one of the eligible agencies for supply the yarn to Handloom sector under the scheme.

21 OTHER INCOME

	Figures for the current reporting period (Rs.)	Figures for the previous reporting period (Rs.)
Profit on sale of assets	0	1916
Miscellaneous receipt/ tender Fees	250377	309007
Interest from bank/ vehicle loan/ others	74626971	26056297
Cash discount/ commission	524170	726500
Interest received from parties on overdue bills	6551309	5481376
Service charges on government grant	366735	49098
Liabilities/ excess provisions written back	1485799	306328
Provision no longer required written back	1494325	526806
TOTAL	85299686	33457328

The amount of Interest from bank/ vehicle loan/ others has gone up mainly on account of interest received/receivable worth Rs. 33955247 approx. (Previous year NIL) on advance against 10% Yarn Subsidy component of MGPS.

22 PURCHASES OF STOCK IN TRADE

	Figures for the current reporting period (Rs.)	Figures for the previous reporting period (Rs.)
Purchases less returns		
-Yarn	13814699913	10810116246
-Dyes & chemicals	196788277	170297695
-Fabrics	12420622	15755702
TOTAL	14023908812	10996169643

23 TRANSPORTATION/ DEPOT CHARGES

	Figures for the current reporting period (Rs.)	Figures for the previous reporting period (Rs.)
Transportation Charges	192157223	163374011
Depot Charges	259935373	200745279
TOTAL	452092596	364119290

Transportation and depot charges under Mill Gate Price Scheme amounting to Rs. 452092596 (Previous year Rs. 364119290) on account of supply of yarn has been accounted for on accrual basis. Out of which, claims for expenses totaling Rs. 140843144 (Previous year Rs.106605805) relating to 4th quarter & that of Varanasi- Lucknow Branch relating to current year were pending for submission to the government as at the end of current reporting period. Provision for transportation and depot charges payable to the user agencies has been made in accordance with the scheme.

24 CHANGES IN INVENTORIES OF FINISHED GOODS WORK IN PROGRESS AND STOCK IN TRADE

	(In Rs.)		
	OPENING STOCK as at the end of previous reporting period	CLOSING STOCK as at the end of current reporting period	INCREASE (-)/ DECREASE (+)
YARN	325837	372707	-46870
DYES & CHEMICALS	6504696	7697608	-1192912
FABRICS			0
TOTAL	6830533	8070315	-1239782
	OPENING STOCK ON 1.4.2011	CLOSING STOCK ON 31.3.2012	INCREASE (-)/ DECREASE (+)
YARN	267600	325837	-58237
DYES & CHEMICALS	7306904	6504696	802208
FABRICS			0
TOTAL	7574504	6830533	743971

Sd/-
Jai Gopal Mahajan
Ch. Manager (F&A)/ Company Secretary

Sd/-
Sarvepalli Srinivas
Managing Director

Sd/-
Balvinder Kumar
Chairman

	Figures for the current reporting period (Rs.)	Figures for the previous reporting period (Rs.)
a) Salary & Wages		
Salary and allowances	92092380	85001441
Salary and allowances (Managing Director)	1679644	1506291
Leave encashment-Including provision for accrued leave (includes Rs. NIL for MD - Previous year Rs.347745)	23498274	8081591
Ex-Gratia (Includes Rs.238471 for MD - Previous year Rs.211545)	13612000	12462000
Children education reimbursement (includes Rs.NIL for MD - Previous year Rs.NIL)	455734	504086
Conveyance reimbursement	546796	578704
Recruitment Expenses	695112	336606
Leave travel concession/encashment (Includes Rs. Nil for MD-Previous year Rs. Nil	473525	793603
Medical expenses (Includes Rs. 25460 for MD- Previous year Rs 23530)	5326512	6094695
Training to personnel	138989	255577
Sub Total (a)	138518966	115614594
b) Contribution to PF & other Fund		
Employers contribution to CPF & FPF/EDLI scheme (Includes Rs.182153 - for MD- Previous year Rs.203639)	11138871	10042957
Gratuity	29575626	6914042
Sub Total (b)	40714497	16956999
c) Staff Welfare expenses		
Staff welfare expenses (including honorarium, reward uniform & liveries)	1599493	1372137
Group personal accident insurance	52008	55472
Sub Total (c)	1651501	1427609
Total (a+b+c)	180884964	133999202

As per Accounting Standard -15 "Employee Benefits", the disclosures of Employee Benefits as defined in the Accounting Standard is given below:-

Defined Contribution Plan

Contribution to Defined Contribution Plan, recognized as expense for the year is as under:

	Figures for the current reporting period (Rs.)	Figures for the previous reporting period (Rs.)
Employer's contribution to CPF/ FPF & EDLI Schemes.	11138871	10042957

Corporation's provident fund is exempted u/s 17 of Employee's Provident Fund Act, 1952. Condition to exemptions stipulates that the employer shall make good deficiency, if any, in the interest rate declared by the trust against the statutory rate

Sd/-
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Sd/-
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Managing Director

Sd/-
Balvinder Kumar
Chairman

26 FINANCE COSTS

	Figures for the current reporting period (Rs.)	Figures for the previous reporting period (Rs.)
Interest to bank/ others	13899	8177
Other Borrowing cost		
Total	13899	8177

27 OTHER EXPENSES

	Figures for the current reporting period (Rs.)	Figures for the previous reporting period (Rs.)
--	---	--

(a) ADMINISTRATIVE EXPENSES

Travelling expenses (Including Rs. 1187741 for MD - Previous year Rs.827965)	6122302	6258671
Payment to auditors	115106	129379
Board meeting expenses	-	-
Books & periodicals	92252	87420
Conveyance expenses	1419200	1605631
Electricity/water charges	1549155	1293721
Insurance	67914	53012
Legal & professional charges	1318585	4032477
Membership fees & subscription	45251	24175
Office upkeep	979460	830400
Printing & stationery	2704307	2233163
Postage/telegram/telephone & telex	3312205	2994342
Rent, rates & taxes (net of recoveries) (includes lease rent for residential accomodation of MD Rs. Nil Previous year - Rs. NIL)	2636251	2054104
Repair & maintenance	1292419	1344784
Service vehicle expenses	838104	722508
Security expenses	396155	367298
Miscellaneous expenses	38867	11470
TOTAL (a)	22927533	24042555

i) Payment made to auditors is as below:-

Audit Fee	75000	62000
Other Capacity	33041	51234
Travelling Exp.	7065	16145
TOTAL	115106	129379

(b) TRADE

	Figures for the current reporting period (Rs.)	Figures for the previous reporting period (Rs.)
Advertisement & publicity	100050	166443
Business promotion	1510	3202
Discount, commission & rebate	1872811	1564573
Bank charges	137462	77871
Freight & other charges	77695	7222
Meeting expenses	808821	919173
Tender fees	6050	4825
Sales tax	795768	-
Transit Insurance on goods	107247	69326
Software implementation/ maintenance expenses	481000	336127
TOTAL (b)	4388414	3148762
TOTAL (a+b)	27315947	27191317

Sd/-
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Ch. Manager (F&A)/ Company Secretary

Sd/-
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Managing Director

Sd/-
Balvinder Kumar
Chairman

28 EXCEPTIONAL ITEMS

	Figures for the current reporting period (Rs.)	Figures for the previous reporting period (Rs.)
a) PROVISION, WRITE OFF ETC.		
Loss on sale of assets	17145	113633
Loss on impairment of assets	-	-
Provision for doubtful debtors	3146679	2560610
Provision for doubtful advances to supplier	411579	39157
Sub Total	3575403	2713400
b) Prior Period Adjustments	-20027	-2461650
c) VRS Compensation	-	-
d) Expenses on Corporate Social Responsibility (CSR) Activity	994840	1376074
TOTAL (a+b+c+d)	4550216	1627824

Details of Prior Year Adjustments (Net) for Rs.20027 – Credit (Previous year Rs 2461650 – Credit) are as under:-
(Rs.)

	Particulars	Debit
1	Reconciliation/adjustment with supplier	8600
2	Deduction in ACASH billing	31829
	Total	40429
	Less:	
1	MGPS subsidy	60456
	Net Amount	-20027

29 TAX EXPENSES- Current Tax

	Figures for the current reporting period (Rs.)	Figures for the previous reporting period (Rs.)
Income Tax for Current year	39275000	14330000
Income Tax for earlier year	4262	61824
Total	39279262	14391824

During the year provision for income tax of Rs. 39150000 (Previous year Rs. 14330000) has been made in the accounts after considering the deferred accrued interest realized for Rs. NIL (Previous Year Rs. 61577) as per practice followed on consistent basis. The deferred accrued interest booked as income in the accounts during the year is Rs. Nil (Previous Year Rs. Nil).

Sd/-
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Sd/-
Sarvepalli Srinivas
Managing Director

Sd/-
Balvinder Kumar
Chairman

30 OTHER NOTES

1 CONTINGENT LIABILITIES & COMMITMENTS :-

(A) Contingent Liabilities:-

(a) Sales tax- Rs. 1392409 (Previous year Rs.56723880).

The demand for F.Y. 2008-09 and 2009-10 for Rs. 1392409/- (net of liability credited for Rs. 44460) received from the Trade Tax Department, Uttar Pradesh on account of non submission of C and E1 forms. The appeals have been filed with the appropriate authorities for accepting the C and E1 forms received after the assesment proceeding for these two years. Besides, application has been filed u/s 9(2) of UPVAT Act to claim relief against exempted sales.

(b) Claims/ demands against the corporation not acknowledged as debts.

(i) Interest on outstanding claimed by the suppliers Rs. 293000 (Previous year Rs.293000)

(ii) Court cases against the company - Rs. 2843000 (Previous year Rs.3002000)

(iii) Bank guarantee issued in favour of M/s Karnataka Silk Marketing Board - Rs. 2000000 (Previous year Rs.2000000).

(B) Commitment:-

Estimated amount of contract remaining to be executed on capital account is Rs. 1296000 (Previous year Rs. 1239755).

2 Since the amount is not ascertainable pending finalization of assessment by the concerned sales tax authorities, no provision for sales tax liability, if any, under the provision of Central and various State Sales Tax Acts has been made in respect of sales of yarn, dyes & chemicals and fabrics.

3 The Managing Director was allowed the use of Company Car during the year for non-duty journeys on payment of Rs.325/- per month.

4 Additional information pursuant to Schedule VI Part II to the Companies Act, 1956:-

A) Licensed and installed capacity of production - Not applicable.

B) Quantitative information in respect of Opening Stock, Purchases, Sales and Closing stock are as under:-

(UNIT IN LAC KGS)
(VALUE IN RS.)

Sl. No.	PARTICULARS	YARN		DYES & CHEMICAL		FABRIC	
		Unit	Value	Unit	Value	Unit	Value
1	Opening Stock - Current Year	0.001	325837	0.351	6504696	-	
	- Previous Year	0.001	267600	0.515	7306904	-	
2	Purchase - Current Year	1088.690	13814699913	27.646	196788277	-	12420622
	- Previous Year	965.161	10810116246	29.127	170297695	-	15755702
3	Sale - Current Year	1088.688	13532869468	27.617	209032957	-	12754388
	- Previous Year	965.161	10811175119	29.291	183312943	-	16204925
4	Closing Stock - Current Year	0.003	372707	0.380	7697608	-	
	- Previous Year	0.001	325837	0.351	6504696	-	

C) Value of Import on CIF basis in respect of (i) Dyes & chemicals is Rs. Nil (Previous year Rs.Nil) and in respect of (ii) Raw Material (iii) Components & spare parts (iv) Capital goods is Rs. Nil (Previous year – Rs. Nil).

D) Earnings in Foreign Currency – Rs. Nil (Previous Year- Rs.Nil).

E) Expenditure incurred in foreign Currency - NIL (Previous year - Rs. Nil).

F) Value of imported raw material, spare parts and components consumed - Rs. Nil (Previous year - Rs. Nil).

Sd/-
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Ch. Manager (F&A)/ Company Secretary

Sd/-
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Managing Director

Sd/-
Balvinder Kumar
Chairman

- 5 In accordance with the requirements of AS-17, i.e. Segment Reporting as issued by ICAI, Activity wise financial information as reporting segments consisting of Yarn, Dyes & Chemicals and Fabric is as under:-

		(Rs.)			
		<u>Yarn</u>	<u>Dyes & Chemicals</u>	<u>Fabrics</u>	<u>Total</u>
A)	Primary information				
1	Segment wise Revenue	13532869468	209032957	12754388	13754656813
2	Segment wise Results	153736190	-5621811	333766	148448145
3	Unallocated overheads	-	-	-	-113414934
4	Interest from Bank & others	-	-	-	67663378
5	Other Income	-	-	-	523829
6	Prior period adjustments	-	-	-	0
7	Provision/ write off etc.	-	-	-	0
8	Profit before tax	-	-	-	103220418
9	Provision for Tax including earlier year adjustments	-	-	-	-39279262
10	Deferred tax	-	-	-	5798018
11	Profit after tax				69739174
12	Segment-wise assets	1457702440	79203947	21345787	1558252174
	Unallocable Corporate Assets (Including Financial Assets).	-	-	-	1354492588
14	Total Assets	-	-	-	2912744762
15	Segment wise liabilities includes Bank Borrowing	1748019428	30973547	22820090	1801813065
16	Unallocable Corporate liabilities (Including Bank Borrowings)	-	-	-	704541496
17	Total liabilities	-	-	-	2506354561
18	Depreciation segment-wise	959387	100727	0	1060114

- Notes:-** i.) There is no inter segment transaction in segment-wise revenue.
ii.) Segment- wise result includes interest on overdue bills/ deferred accrued interest for Rs.6551309/-.
iii.) Segment-wise result includes liabilities/ provisions written back for Rs.2854071/- (Credit), previous year adjustments for Rs.20027/- (Credit) and provisions & write off etc. for Rs.3558258/- (Debit).

		(Rs.)	
B)	Secondary Information	Name of the Region	Segment Revenue
1	Segment Revenue by geographical area for the segment whose revenue is 10% or more of total revenue of all geographical segments.	RO Coimbatore	4848940610
		RO Panipat	6151508615
		RO Hyderabad	1497434634
2	Segment assets by geographical location of assets of the segment whose assets are 10% or more of total assets of all geographical segments.	RO Coimbatore	293920663
		RO Panipat	966100690
		Name of the Region	Addition to Fixed Assets
3	Additions to fixed assets for the segment where assets are 10% or more of the total assets of all geographical segments.	RO Kolkata	767458
		RO Coimbatore	164246
		RO Panipat	428828

- 6 Note 1 to 30 and significant Accounting Policies annexed to Balance sheet as at the end of current reporting period and Statement of Profit and Loss and Cash Flow for the year ended on that date form an integral part of Accounts.
7 The figures of previous year have been re-casted/ re-grouped wherever necessary to render them comparable with figures of current year.
8 Figures have been rounded off to the nearest rupee.

Sd/-
Jai Gopal Mahajan
Ch. Manager (F&A)/ Company Secretary

Sd/-
Sarvepalli Srinivas
Managing Director

Sd/-
Balvinder Kumar
Chairman

As per our Report of even date
For K. Kanjaria & Co.
Chartered Accountants

Sd/-
Kamlesh Kumar
Partner
M.No. 017510
F.R.No. 000449C

Place: Lucknow
Date:

NATIONAL HANDLOOM DEVELOPMENT CORPORATION LTD. LUCKNOW				
CASH FLOW STATEMENT FOR THE YEAR ENDING 31st MARCH 2013				
PARTICULARS		2012-13	2011-12	
(A)	CASH FLOW FROM OPERATING ACTIVITIES			
	Profit before tax	103220418	41207837	
	Adjustments :			
i	Depreciation	1727537	1625761	
ii	Expenditure on developmental activities/medical corpus charged to Development Fund	-1601267	-1417278	
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	103346688	41416320	
	CHANGES IN WORKING CAPITAL (Excluding Cash & Bank Balances)			
	Increase/Decrease in:			
i	Inventories	9453923	182918	
ii	Book-debts	-164124348	-339631367	
iii	Loans & Advances	-13715014	-3103209	
iv	Receivables	32484871	-33512024	
v	Trade & other Payables	660170448	412299052	
	Cash Generated from Operations	627616568	77651690	
	Less : Income Tax paid	-38334262	-16636824	
	NET CASH FLOW FROM OPERATING ACTIVITIES (A)	589282306	61014866	
(B)	CASH FLOW FROM INVESTING ACTIVITIES			
i	Sale of Fixed Assets	33452	182920	
ii	Addition to Fixed Assets/W.I.P	-2446186	-13460603	
	NET CASH FLOW FROM INVESTING ACTIVITIES (B)	-2412734	-13277683	
(C)	CASH FLOW FROM FINANCIAL ACTIVITIES			
i	Payment of Dividend	-6624690	-10111360	
	Net Cash Flow from Financing Activities (C)	-6624690	-10111360	
(D)	NET CHANGES IN CASH AND CASH EQUIVALENT (A+B+C)	580244882	37625823	
(E)	CASH AND CASH EQUIVALENT- OPENING BALNACE	454499075	419689308	
(F)	TOTAL	1034743957	457315131	
(G)	CASH AND CASH EQUIVALENT- CLOSING BALANCE	1034743957	454499075	
	Cash & Cash Equivalent represent :			
1	Cash in Hand	99092	51904	
2	Balance with Banks in Current & Fixed deposit Account	1034644865	454447171	
	Total	1034743957	454499075	
	Notes :			
1	Cash flow statement has been prepared under the indirect method as set out in the AS-3, issued by the ICAI.			
2	Previous year's figures have been regrouped / re-classified wherever applicable.			
	Sd/-	Sd/-	Sd/-	
	Jai Gopal Mahajan	Sarvepalli Srinivas	Balvinder Kumar	
	Ch. Manager (F&A)/ Company Secretary	Managing Director	Chairman	
			As per our Report of even date For K. Kanjaria & Co. Chartered Accountants	
			Sd/-	
Place: Lucknow			Kamlesh Kumar	
Date:			Partner	
			M.No. 017510	
			F.R.No. 000449C	

INFORMATION PURSUANT TO PARA IV OF SCHEDULE VI TO THE COMPANIES ACT, 1956, BALANCESHEET AND COMPANY'S GENERAL BUSINESS PROFILE.

i) Registration details:

Registration No.	5974/ 83
State Code	20
Date of Balance sheet	31-03-2013

ii) Capital raised during the year (Amount in Rs.) subscribed by Government of India.

-

iii) Position of Mobilization and Deployment of Funds (Amount in Rs.)

Total Liabilities	Total Assets
2912744762	2912744762
Sources of Funds	
Paid up Capital	190000000
Reserve & Surplus	216390201
Deferred tax liability (net)	-11235175
Corpus Fund (Marketing Complex & Mega Cluster)	210819053
Other Non Current liabilities	0
Current liabilities	2306770683
Application of Funds	
Net Fixed Assets - Tangible	25566717
- Intangible	449755
Capital work in progress	16520592
Deployment of Corpus Fund (Marketing Complex & Mega Cluster)	210819053
Other Non Current Assets	313392
Current Assets	2659075253

iv) Performance of the company

Turnover	13754656813
Total Expenditure	13651436395
Profit before Tax	103220418
Profit after Tax	69739174
Earning per share in Rupees	36.70
Dividend (% age of Share Capital)	7.42%

v) Generic name of the principal product of the company

Product description	Item Code No. (ITC Code)
Yarn	5208(Cotton)
Dyes & Chemicals	3204(Dyes)
Fabric	N.A.

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As per our Report of even date
For K. Kanjaria & Co.
Chartered Accountants

Place: Lucknow
Date:

Sd/-
Kamlesh Kumar
Partner
M.No. 017510
F.R.No. 000449C