

ASMAN INVESTMENTS LIMITED

30th Annual Report

2011-2012

REGD. OFFICE

ARVIND PREMISES,  
NARODA ROAD  
AHMEDABAD - 380 025

# ASMAN INVESTMENTS LIMITED

## Regd. Office

ARVIND PREMISES  
NARODA ROAD  
AHMEDABAD – 380 025

## Directors

Mr. Jagdish G. Dalal - Director  
Mr. Hiren Rao - Director  
Mr. Milan . Shah - Director

## Auditors

Mehta Sheth & Associates  
304 - Paritosh  
Near Darpan Academy  
Usmanpura  
Ahmedabad – 380 013

# ASMAN INVESTMENTS LIMITED

## NOTICE

NOTICE is hereby given that the Annual General Meeting of the Members of ASMAN INVESTMENTS LIMITED will be held on Saturday, the 29<sup>th</sup> September, 2012 at 12.30 p.m. at the Registered Office of the Company at Arvind Mills Premises, Naroda Road, Ahmedabad-380 025 to transact the following Business:-

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2012 and Profit and Loss Account for the period ended on that date and the Reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Hiren Rao who retires by rotation as required under Section 256 of the Companies Act, 1956 and being eligible, offers himself for reappointment.
3. To appoint Auditors of the Company to hold office up to the conclusion of the next Annual General Meeting and to fix their remuneration.

**A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.**

**Registered Office**  
Arvind Mills Premises  
Naroda Road,  
Ahmedabad-380 025

**Date : 9<sup>th</sup> May, 2012**

**Place : Ahmedabad**

**BY ORDER OF THE BOARD**



Jagdish Dalal  
Director



Hiren Rao  
Director

## **ASMAN INVESTMENTS LIMITED**

### **Directors' Report**

**To,  
The Members,**

Your Directors present their **THIRTIETH** Annual Report together with the audited Financial Statements for the year ended on 31<sup>st</sup> March, 2012.

#### **FINANCIAL PERFORMANCE**

The company has earned a net profit of Rs. 93.66 lacs during the year and the same is adjusted against the accumulated losses and carried to Balance Sheet.

#### **DIVIDEND**

Keeping in mind the need to conserve resources and in view of accumulated losses, your Directors do not recommend any dividend on the equity shares for the year.

#### **SUBSIDIARY COMPANY**

Arvind Products Limited, a subsidiary company, has ceased to be a subsidiary with effect from 1<sup>st</sup> January, 2011 pursuant to the orders passed by the Honorable High Court of Gujarat on 29<sup>th</sup> December, 2011 approving the Scheme of Arrangement in the nature of de-merger and transfer of Investment Division of Asman Investments Limited to Arvind Limited and amalgamation of Arvind Products Limited with Arvind Limited under sections 391 and 394 of the Companies Act, 1956. The Scheme of Arrangement has become effective from 8<sup>th</sup> February, 2012.

#### **DE-MERGER OF INVESTMENT DIVISION**

Investment Division of the Company has been de-merged and transferred to Arvind Limited with effect from 1<sup>st</sup> January, 2011 pursuant to the orders passed by the Honorable High Court of Gujarat on 29<sup>th</sup> December, 2011 approving the Scheme of Arrangement in the nature of de-merger and transfer of Investment Division of Asman Investments Limited to Arvind Limited and amalgamation of Arvind Products Limited with Arvind Limited under sections 391 and 394 of the Companies Act, 1956. The Scheme of Arrangement has become effective from 8<sup>th</sup> February, 2012.

#### **DIRECTOR**

At the ensuing Annual General Meeting, Mr. Hiren Rao, Director of the Company, retires by rotation as required under Section 256 of the Companies Act, 1956 but being eligible, offers himself for re-appointment.

#### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

Information in accordance with the provisions of Section 217(1)(e) of the Companies Act, 1956, read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 regarding conservation of energy and technology absorption are not being given as the Company has not undertaken any manufacturing activity.

There were no foreign exchange earnings or outgo during the period under review.

### **PARTICULARS OF EMPLOYEES**

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

### **FIXED DEPOSITS**

Although your Company is an NBFC but it has not accepted any deposits from the Public within the meaning of The Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank of India) Directions, 1998, no information is being furnished in respect of outstanding Deposits.

### **DIRECTORS' RESPONSIBILITY STATEMENT**


In compliance of Section 217(2AA) of the Companies Act, 1956, the Directors state that:

- (i) In the preparation of the annual accounts, the applicable accounting standards have been followed. There are no material departures from the applicable accounting standards;
- (ii) Such accounting policies have been selected and applied consistently and such judgments and estimates have been made as 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 ended on 31st March, 2012 and of the profit of the Company for the year;
- (iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- (iv) The attached statements of accounts for the year ended on March 31, 2012 have been prepared on a going concern basis.

### **AUDITORS**

The auditors M/s. Mehta Sheth & Associates, Ahmedabad, retire and offer themselves for re-appointment. It is proposed that M/s. Mehta Sheth & Associates, Chartered Accountants be re-appointed as auditors of the Company. You are requested to appoint the auditors and fix their remuneration.

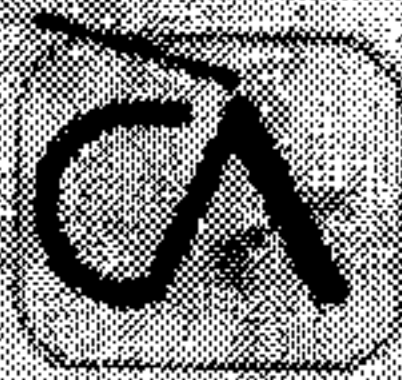
**FOR AND ON BEHALF OF THE BOARD**

  
(Jagdish Dalal)  
Director

  
(Hiren Rao)  
Director

Date : 9-5-2012

Place : Ahmedabad



**The Members of Asman Investments Limited**

1. We have audited the attached balance sheet of Asman Investments Limited, as at 31<sup>st</sup> March 2012, the profit and loss account for the year ended on the date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.  
We believe that our audit provides a reasonable basis for our opinion.
3. As required by the companies (Auditor's Report) order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
4. Further to our comments in the Annexure referred to above, we report that:
  - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (ii) In our opinion, proper books of accounts as required by law have been kept by the company so far as appears from our examination of those books;
  - (iii) The balance sheet, profit and loss account dealt with by this report are in agreement with the books of account;
  - (iv) In our opinion, the balance sheet, profit and loss account dealt with this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
  - (v) In view of accumulated Cash Loss of company; net worth of the company has become negative.
  - (vi) On the basis of written representations received from the directors, as on 31<sup>st</sup> March 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31<sup>st</sup> March 2012 from being appointed as director in terms of clause(g) of sub-section (1) of section 274 of the Companies Act, 1956;
  - (vii) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and

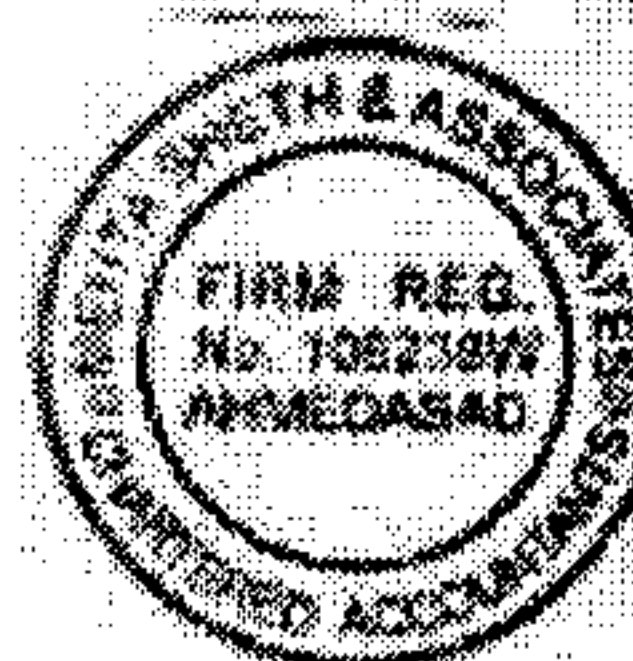


give a true and fair view in conformity with the accounting principles generally accepted in India:


- (a) in the case of the balance sheet, of the state of affairs of the company as at 31<sup>st</sup> March 2012;
- (b) in the case of the profit and loss account, of the Profit for the year ended on that date;

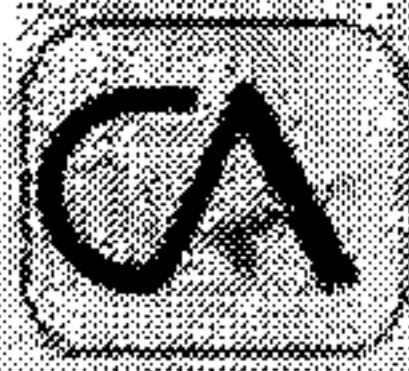
Place: Ahmedabad

Date: 9<sup>th</sup> May, 2012



For Mehta Sheth & Associates,  
Firm Registration No. 106238W  
Chartered Accountants

  
(CA. Sallil G. Sheth)  
Partner  
Membership No. 110500



**Annexure**

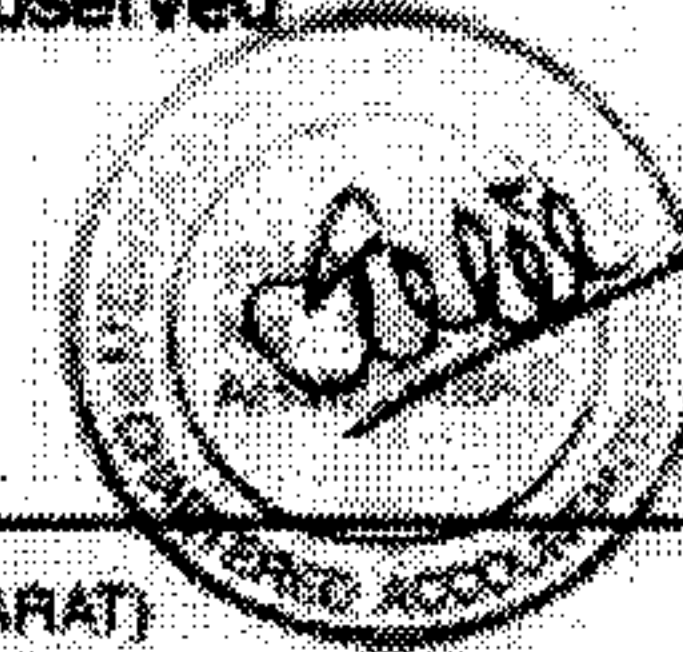
**Re:- Asman Investments Limited**

**Referred to in paragraph 3 of our report of even date;**

- (i) (a) The company has maintained the proper records showing full particulars including quantitative details and situation of fixed assets.  
(b) All the assets have been physically verified by the management during the year. No material discrepancies were noticed on such verification
- (ii) (a) The inventory has been physically verified by the management. In our opinion, the frequency of verification is reasonable.  
(b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.  
(c) The company is maintaining proper record of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (iii) (a) The company had taken the loan from its holding company M/s. Arvind Ltd; covered in the register maintained u/s. 301 of Companies Act, 1956. The maximum amount involved during the was Rs. 157.24 Crores, where as year end balance was Rs. 65.94 Lacs.

The company has not granted Loan to any party covered in the register maintained under Section 301 of the Companies Act, 1956.

- (b) In our opinion, the rate of interest and other terms & condition on which loans have been taken/granted from/to the companies listed in the register maintained under section 301 of companies Act, 1956 are not, prima facie, prejudicial to the interest of the company.
- (c) The company is regular in repaying the principle amounts as stipulated. There is no overdue amount of loans taken from or granted to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchase of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, we have not observed

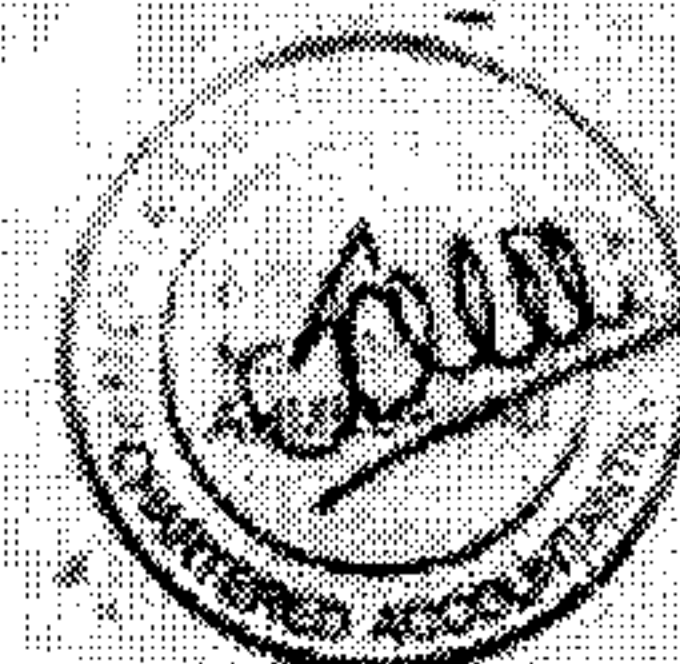






any continuing failure to correct major weaknesses in internal controls.

- (v) (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered in to the register maintained under Section 301 of the Companies Act, 1956, have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangement entered in the register maintained u/s 301 of the companies Act 1956 and exceeding the value of Rs. 5,000/- in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- (vi) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- (vii) (a) The company is regular in depositing with the appropriate authorities undisputed statutory dues including income tax, sales tax, wealth tax and other material statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax were in arrears as at 31<sup>st</sup> March 2012 for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us, Income Tax Demand of Rs. 1.55 Lacs for AY 2006-07 is pending before Hon. CIT (Appeals). Barring this demand, there are no other dues of sales tax, income tax, wealth tax and cess which have not been deposited on account of any dispute.
- (viii) In view of the accumulated Cash loss of the company, Net Worth of the Company has become negative.
- (ix) The company is dealing in shares, securities, debentures and other investments. The proper records have been maintained of the transactions and contracts and timely entries have been made therein. The shares, securities, debentures and other securities have been held by the company in its own name.
- (x) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year.




Clauses No.(i)(c),(vi),(vii), (xi), (xii),(xiii), (xv),(xvi),(xvii),(xviii),(xix), (xx) of Para 4 the said Order are not applicable.

Place: Ahmedabad  
Date: 9<sup>th</sup> May, 2012

For Mehta Sheth & Associates;  
Firm Registration No. 106238W  
Chartered Accountants



  
(CA. Satil G. Sheth)  
Partner  
Membership No. 110500

**Asman Investments Limited**

**Balance Sheet**

Amount in Rs.

	Note	As at	
		March 31, 2012	March 31, 2011
<b>Equity and Liabilities</b>			
<b>Shareholders' funds</b>			
Share capital	3	800,000	800,000
Reserves and surplus	4	(215,747,297)	(225,114,319)
<b>Non-current liabilities</b>			
Deferred tax liabilities (Net)	5	1,276,293	1,261,330
Long-term provisions	6	466,660	482,506
<b>Current liabilities</b>			
Short-term borrowings	7	6,593,915	1,572,488,225
Trade payables	8	228,542,406	8,455,626
Other current liabilities	9	27,530,010	10,299,995
Short-term provisions	10	105,938	2,061,876
<b>Total</b>		<b>49,567,925</b>	<b>1,370,735,239</b>
<b>Assets</b>			
<b>Non-current assets</b>			
Tangible assets	11	7,356,308	7,733,052
Non-current investments	12	3,264,110	1,321,041,310
Other non-current assets	13	500,000	500,000
<b>Current assets</b>			
Inventories	14	15,951,282	18,103,572
Trade receivables	15	10,645,635	15,360,478
Cash and cash equivalents	16	7,309,475	7,440,115
Short-term loans and advances	17	4,541,115	557,712
<b>Total</b>		<b>49,567,925</b>	<b>1,370,736,239</b>
Contingent liabilities and commitments	18	154,856	30,000
<b>Significant Accounting Policies</b>	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

**For Mehta Sheth & Associates;**

Firm Registration No. 106238W

Chartered Accountants

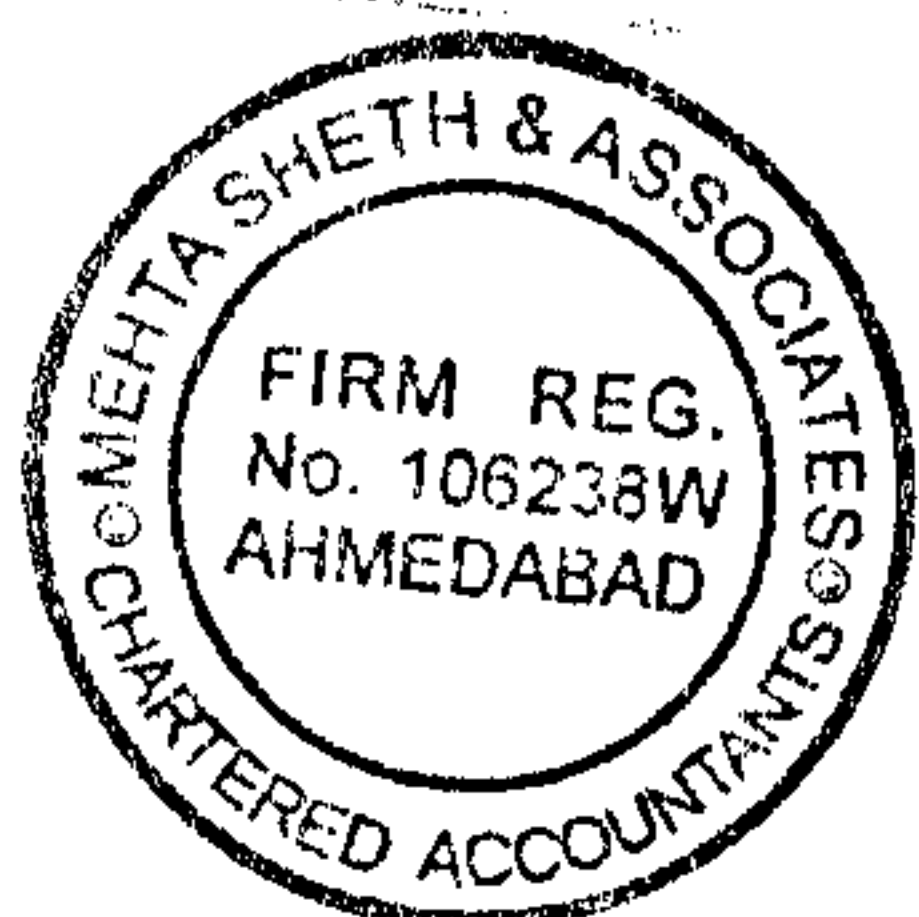
*Salil G. Sheth*

**CA. Salil G. Sheth**

Partner

Membership No.110500

Ahmedabad  
May 9, 2012



*Jagdish Dalal*

**Jagdish Dalal** Director

*Hiren Rao*

**Hiren Rao** Director

Ahmedabad  
May 9, 2012

**Asman Investments Limited**

**Statement of Profit and Loss**

Amount in Rs.

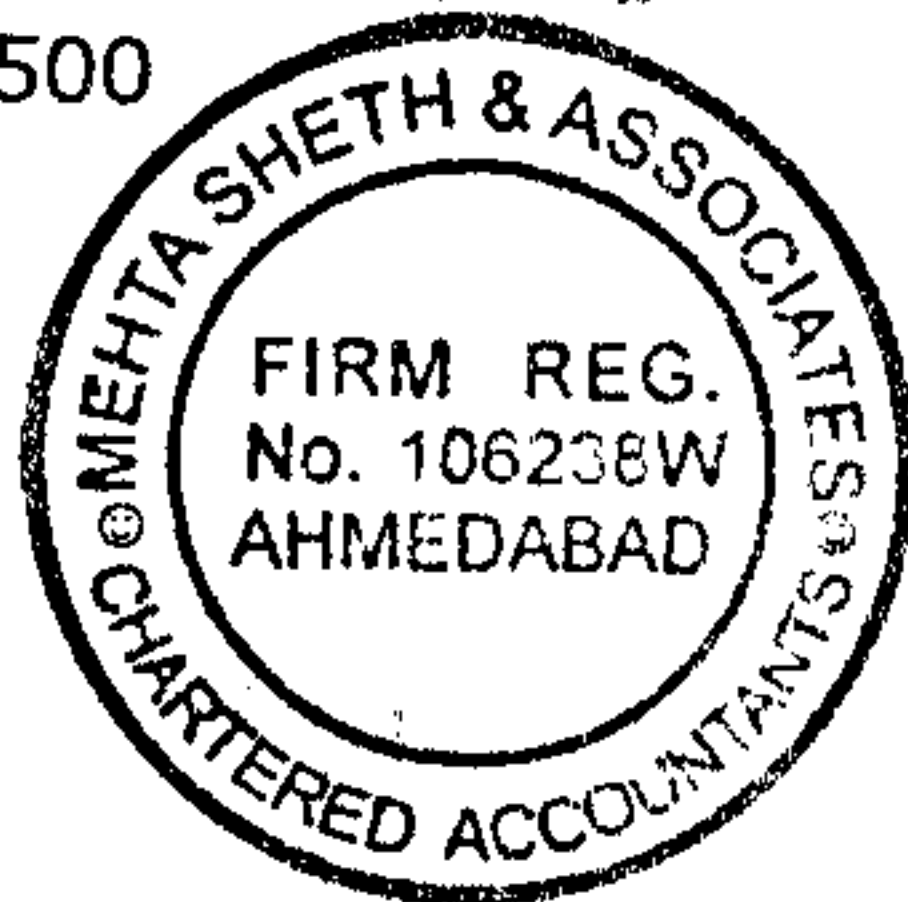
	Note	Year ended	
		March 31, 2012	March 31, 2011
Revenue from operations	19	948,519,963	575,969,405
Other income	20	1,015,799	3,500,786
<b>Total Revenue</b>		<b>949,535,762</b>	<b>579,470,191</b>
<b>Expenses:</b>			
Purchases of Stock-in-Trade	21	922,381,851	553,811,093
Changes in inventories of Stock-in-Trade	22	2,152,290	(2,482,752)
Employee benefits expense	23	4,111,811	4,377,566
Finance costs	24	415,112	347,023
Depreciation / Amortization expense	25	403,794	440,967
Other expenses	26	5,639,919	6,805,376
<b>Total expenses</b>		<b>935,104,777</b>	<b>563,299,273</b>
<b>Profit before exceptional and extraordinary items and tax</b>		<b>14,430,985</b>	<b>16,170,918</b>
Exceptional items		-	-
<b>Profit before extraordinary items and tax</b>		<b>14,430,985</b>	<b>16,170,918</b>
Extraordinary Items		-	-
<b>Profit before tax</b>		<b>14,430,985</b>	<b>16,170,918</b>
<b>Tax expense:</b>			
Current tax		5,050,000	5,030,000
Deferred tax		14,963	1,261,330
(Excess)/Short Provision of tax relating to earlier years		-	15,354
<b>Profit for the Year</b>		<b>9,366,022</b>	<b>9,864,234</b>
<b>Earnings per equity share</b> (Nominal Value per Share Rs. 10/- (Previous year Rs. 10/-):			
(1) Basic		117	123
(2) Diluted		117	123

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached  
For Mehta Sheth & Associates;  
Firm Registration No. 106238W  
Chartered Accountants

*Salil G. Sheth*

**CA. Salil G. Sheth**  
Partner  
Membership No.110500



Ahmedabad  
May 9, 2012

*Jagdish Dalal*

**Jagdish Dalal** Director

*Hiren Rao*

**Hiren Rao** Director

Ahmedabad  
May 9, 2012

Asman Investments Limited

Amount in Rs.

Note No	Particulars	Year ended	
		March 31, 2012	March 31, 2011
<b>19</b>	<b>Revenue from operations</b>		
	<b>Sale of Products :</b>		
	Fabrics	896,890,548	524,301,340
	Ready made garments	51,629,415	51,668,065
	<b>Total</b>	<b>948,519,963</b>	<b>575,969,405</b>
<b>20</b>	<b>Other income</b>		
	Interest Income on Income Tax Refund	-	32,247
	Dividend Income from Non-current Investments		
	(a) From subsidiary companies	-	-
	(b) From others	-	41,250
	Other non-operating income	1,015,799	3,427,289
	<b>Total</b>	<b>1,015,799</b>	<b>3,500,786</b>
<b>21</b>	<b>Purchases of Stock-in-Trade</b>		
	Fabrics	888,018,570	516,952,016
	Ready made Garments	34,363,281	36,859,077
	<b>Total</b>	<b>922,381,851</b>	<b>553,811,093</b>
<b>22</b>	<b>Changes in inventories of Stock-in-Trade</b>		
	Stock at the end of the year		
	Fabrics	4,093,539	5,478,041
	Ready made garments	11,857,743	12,625,531
		15,951,282	18,103,572
	Stock at the beginning of the year		
	Fabrics	5,478,041	4,631,347
	Ready made garments	12,625,531	10,989,473
		18,103,572	15,620,820
	<b>(Increase)/Decrease in stocks</b>	<b>2,152,290</b>	<b>(2,482,752)</b>
<b>23</b>	<b>Employee benefits expense</b>		
	Salaries and Wages	3,834,188	4,075,541
	Contribution to Provident Fund and Other Funds	277,623	302,025
	<b>Total</b>	<b>4,111,811</b>	<b>4,377,566</b>
<b>24</b>	<b>Finance costs</b>		
	Interest		
	On Term Loans	-	347,023
	Others	415,112	
	<b>Total</b>	<b>415,112</b>	<b>347,023</b>
<b>25</b>	<b>Depreciation / Amortization expense</b>		
	Depreciation on Tangible assets	403,794	440,967
	<b>Total</b>	<b>403,794</b>	<b>440,967</b>
<b>26</b>	<b>Other expenses</b>		
	Power and fuel	316,483	675,739
	Rent	1,443,600	1,701,288
	Repairs to buildings	56,184	767,021
	Insurance	31,711	35,143
	Rates and taxes	-	83,650
	Miscellaneous expenses	33,261	102,425
	Other Expenses	3,637,350	3,368,415
	Payments to the Auditors		
	(a) As Auditors	71,695	71,695
	(b) for other services	49,635	-
	<b>Total</b>	<b>5,639,919</b>	<b>6,805,376</b>

Asman Investments Limited

Cash Flow Statement

Amount in Rs.

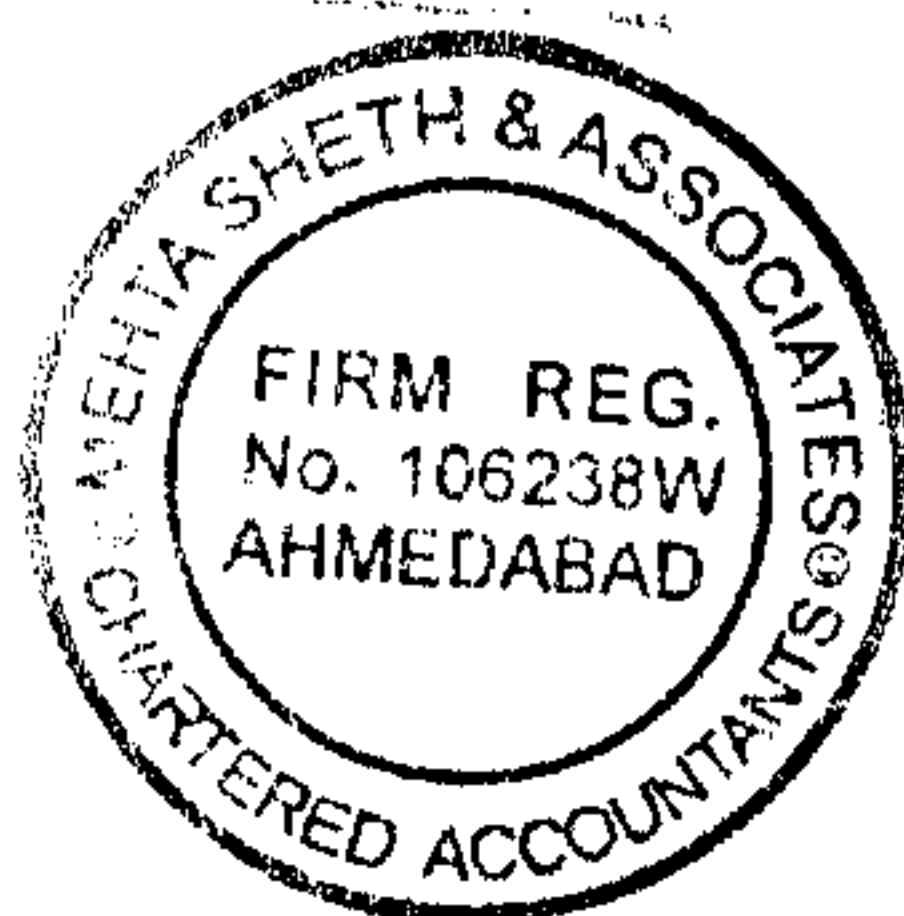
	Year ended on	
	March 31, 2012	March 31, 2011
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit Before taxation	14,430,985	16,170,918
Adjustments for:		
Depreciation expense	403,794	440,967
Depreciation fund reversal on sale of assets	-	(287,058)
Sundry Balance Written Off	15,000	(23,132)
<b>Operating Profit before Working Capital Changes</b>	<b>14,849,779</b>	<b>16,301,695</b>
Working Capital Changes:		
Increase / (Decrease) in Trade Payables	220,086,780	5,790,585
Increase / (Decrease) in Other Current Liabilities	17,230,015	(17,520,436)
Increase / (Decrease) in Long Term Provisions	(15,846)	261,315
Increase / (Decrease) in Short Term Provisions	(31,477)	13,230
(Increase) / Decrease in Trade Receivable	4,699,843	(10,058,478)
(Increase) / Decrease in short term Loans & Advances	(2,090,180)	32,817,486
(Increase) / Decrease in Inventories	2,152,290	(2,482,752)
<b>Net Changes in Working Capital</b>	<b>242,031,425</b>	<b>8,820,950</b>
<b>Cash Generated from Operations</b>	<b>256,881,204</b>	<b>25,122,645</b>
Direct Taxes paid ( Net of Income Tax refund)	(8,867,684)	268,035
<b>Net Cash from Operating Activities</b>	<b>248,013,520</b>	<b>25,390,680</b>
<b>B Cash Flow from Investing Activities</b>		
Sale of Fixed Assets	-	1,408,351
Purchase of Fixed Assets	(27,050)	-
Sale of Non Current Investments	1,321,041,310	-
Purchase of Non Current Investments	(3,264,110)	-
<b>Net cash flow from Investing Activities</b>	<b>1,317,750,150</b>	<b>1,408,351</b>
<b>C Cash Flow from Financing Activities</b>		
Changes in Long term Borrowings	-	(11,000,000)
Changes in short term borrowings	(1,565,894,310)	(16,500,000)
<b>Net Cash flow from Financing Activities</b>	<b>(1,565,894,310)</b>	<b>(27,500,000)</b>
<b>Net Increase/(Decrease) in cash &amp; cash equivalents</b>	<b>(130,640)</b>	<b>(700,969)</b>
Cash & Cash equivalent at the beginning of the period	7,440,115	8,140,145
Cash & Cash equivalent at the end of the period	7,309,475	7,440,115

Particulars	As at	
	March 31, 2012	March 31, 2011
<b>Cash and cash equivalents comprise of:</b>		
Cash on Hand	85,584	34,795
Cheques, Drafts on hand	-	165,600
Balances with Banks	7,223,891	7,239,720
<b>Total</b>	<b>7,309,475</b>	<b>7,440,115</b>

As per our report of even date attached  
For Mehta Sheth & Associates;  
Firm Registration No. 106238W  
Chartered Accountants

*CA. Salil G. Sheth*  
CA. Salil G. Sheth  
Partner  
Membership No.110500

Ahmedabad  
May 9, 2012



*Jagdish Dalal*  
Jagdish Dalal  
Director

*Hiren Rao*  
Hiren Rao  
Director

Ahmedabad  
May 9, 2012

**Asman Investments Limited**

3	Share Capital	Amount in Rs.	
		March 31, 2012	March 31, 2011
	<b>Authorised</b> 40,00,000 Equity Shares (Previous Year 40,00,000) Par Value of Rs. 10/- per share	40,000,000	40,000,000
	<b>Issued</b> <b>Equity Shares</b> 80,000 Equity Shares (Previous Year 80,000/-) Par Value of Rs. 10/- per share	800,000	800,000
	<b>Subscribed and fully paid up</b> <b>Equity Shares</b> 80,000 Equity Shares (Previous Year 80,000) Par Value of Rs. 10/- per share fully paid up	800,000	800,000
	<b>Total</b>	<b>800,000</b>	<b>800,000</b>

**a Reconciliation of Number of Equity Shares**

Particulars	As at	
	March 31, 2012	March 31, 2011
Balance at the beginning of the year	80,000	80,000
Balance at the end of the year	80,000	80,000

**b Rights, Preferences and Restrictions attached to Shares**

**Equity Shares:**

The Company has one class of shares referred to as equity shares having a par value of Rs. 10 each. Each shareholder is entitled to one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

**c Details of shares held by Shareholders holding more than 5% of the aggregate shares in the Company**

Particulars	As at	
	March 31, 2012	March 31, 2011
Number of Shares held by Holding Company - Arvind Limited	70000 88%	76500 96%

Asman Investments Limited

4	Reserves and Surplus	Amount in Rs.	
		As at	
		March 31, 2012	March 31, 2011
	<b>Securities Premium Account</b> Balance as per last financial statements	41,836,931	41,835,931
	<b>Special Reserve as per Section 45-IC of RBI Act, 1934</b> Balance as per last financial statements	1,972,847	-
	Add: Transferred from Surplus in Statement of Profit and Loss	1,873,204	1,972,847
		<b>3,846,051</b>	<b>1,972,847</b>
	<b>Surplus in Statement of Profit and Loss</b> Balance as per last financial statements	(268,923,097)	(276,814,484)
	Add : Profit for the year	9,366,022	9,864,234
		(259,557,075)	(266,950,250)
	Less: Transferred to Special Reserve	1,873,204	1,972,847
		<b>(261,430,279)</b>	<b>(268,923,097)</b>
	<b>Total</b>	<b>(215,747,297)</b>	<b>(225,114,319)</b>

5	Deferred Tax Liabilities	Amount in Rs.	
		As at	
		March 31, 2012	March 31, 2011
	(a) Deferred Tax Liability Depreciation	1,475,918	1,497,330
	<b>Total (a)</b>	<b>1,475,918</b>	<b>1,497,330</b>
	(b) Deferred Tax Asset Expenditure u/s. 43B of Income Tax Act, 1961	104,891	144,000
	Provision for Gratuity disallowed in the return of income	94,734	92,000
	<b>Total (b)</b>	<b>199,625</b>	<b>236,000</b>
	<b>Net Liability (a)-(b)</b>	<b>1,276,293</b>	<b>1,261,330</b>

6	Long Term Provisions	Amount in Rs.	
		As at	
		March 31, 2012	March 31, 2011
	Provision for employee benefits	466,660	482,506
	<b>Total</b>	<b>466,660</b>	<b>482,506</b>



**Asman Investments Limited**

7	Short Term Borrowings	Amount in Rs.	
		As at	
		March 31, 2012	March 31, 2011
	Unsecured: Intercorporate Deposits From Related Parties	6,593,915	1,572,488,225
	<b>Total</b>	<b>6,593,915</b>	<b>1,572,488,225</b>

8	Trade Payables	Amount in Rs.	
		As at	
		March 31, 2012	March 31, 2011
	Trade payables	228,542,406	8,455,626
	<b>Total</b>	<b>228,542,406</b>	<b>8,455,626</b>

a Disclosure as required under Section 22 of The Micro, Small and Medium Enterprise Development (MSMED) Act, 2006 under the chapter on Delayed Payments to Micro and Small Enterprise:

- |   |     |
|---|-----|
| (a) Amount due and outstanding to suppliers as at the end of accounting year; | Nil |
| (b) Interest paid during the year;  | Nil |
| (c) Interest payable at the end of the accounting year; and                   | Nil |
| (d) Interest accrued and unpaid at the end of the accounting year             | Nil |

9	Other Current Liabilities	Amount in Rs.	
		As at	
		March 31, 2012	March 31, 2011
	Statutory Dues	137,257	70,498
	Advance from customers	149,486	-
	Others	27,243,267	10,229,497
	<b>Total</b>	<b>27,530,010</b>	<b>10,299,995</b>

10	Short term Provisions	Amount in Rs.	
		As at	
		March 31, 2012	March 31, 2011
	Provision for employee benefits	105,938	137,415
	Provision for Taxation (Net of Advance Tax Rs. 3,106,539)	-	1,924,461
	<b>Total</b>	<b>105,938</b>	<b>2,061,876</b>

## Investments Limited

## Intangible Assets

Particulars	Gross Block						Depreciation / Amortization			Net Block	
	As on 01.04.2011	Additions	Disposals	As on 31.03.2012	As on 01.04.2011	Additions	Deductions	As on 31.03.2012	As on 31.03.2012	As on 31.03.2011	
Intangible Assets	6,403,760	-	-	6,403,760	1,688,798	104,365	-	1,793,163	4,610,597	4,714,962	
Goodwill	3,053,804	-	-	3,053,804	1,088,864	193,369	-	1,282,233	1,771,571	1,964,940	
Patents	450,950	-	-	450,950	209,884	42,842	-	252,726	198,224	241,066	
Other Equipment	1,311,615	27,050	-	1,338,665	499,531	63,218	-	562,749	775,916	812,084	
<b>Total</b>	<b>11,220,129</b>	<b>27,050</b>	<b>-</b>	<b>11,247,179</b>	<b>3,487,077</b>	<b>403,794</b>	<b>-</b>	<b>3,890,871</b>	<b>7,356,308</b>	<b>7,733,052</b>	
Previous Year	12,628,481	-	1,408,352	11,220,129	3,360,019	440,967	313,909	3,487,077	7,733,052		

Amount in Rs.

Asman Investments Limited

12 Non Current Investments

Particulars	Face Value Per Share	No of Shares	Amount in Rs.	
			As at	
			March 31, 2012	March 31, 2011
<b>(a) Investments in Equity Instruments- In Subsidiaries (Unquoted) (Fully Paid)</b>				
Arvind Overseas (M) Limited (Purchased during the year)	Rs. 100	2,385,171	2,385,171	-
Arvind Spinning Limited (Share without par value) (Purchased during the year)		824,099	824,099	-
Arvind Worldwide (M) Inc (Purchased during the year)	\$ 100	54,840	54,840	-
<b>(b) Investments in Equity Instruments- In Subsidiaries (Quoted) (Fully Paid)</b>				
Arvind Products Limited *			-	1,281,734,310
<b>(c) Investments in Equity Instruments (Quoted) (Fully Paid)</b>				
Amol Decalite Limited *			-	577,500
Rajesh Maleables Limited *			-	51,300
<b>(c) Investments in Equity Instruments (Unquoted) (Fully Paid)</b>				
Pinnacle Shares Registry Private Limited *			-	24,000
Amazon Textiles Private Limited *			-	38,639,200
<b>(d) Investments in Government Securities (Unquoted)</b>				
			-	15,000
<b>Total</b>			<b>3,264,110</b>	<b>1,321,041,310</b>
<b>a Aggregate value of quoted Investments</b>				
At cost price			-	1,282,402,110
At market price			-	235,781,623
<b>Aggregate value of unquoted Investments</b>				
At cost price			3,264,110	38,639,200

\* As per the Order of Honorable High Court of Gujarat Dated 29-12-2011, scheme of Arrangement in the nature of De-merger of Investment Division of Asman Investments Limited to Arvind Limited was sanctioned and hence the Investments of Asman Investments Limited stands transferred to Arvind Limited.

**Asman Investments Limited**

13	Long Term loans and Advances	Amount in Rs.	
		As at	
		March 31, 2012	March 31, 2011
	Security Deposits	500,000	500,000
	<b>Total</b>	<b>500,000</b>	<b>500,000</b>

14	Inventories	Amount in Rs.	
		As at	
		March 31, 2012	March 31, 2011
	<b>Stock-in-trade:</b>		
	Fabrics	4,093,539	5,478,041
	Ready made garments	11,857,743	12,625,531
	<b>Total</b>	<b>15,951,282</b>	<b>18,103,572</b>

15	Trade Receivables (Unsecured, considered good unless otherwise stated)	Amount in Rs.	
		As at	
		March 31, 2012	March 31, 2011
	Outstanding for a period exceeding six months	460,100	923,142
	Others	10,185,535	14,437,336
	<b>Total</b>	<b>10,645,635</b>	<b>15,360,478</b>

16	Cash and Bank Balances	Amount in Rs.	
		As at	
		March 31, 2012	March 31, 2011
	<b>Cash and Cash Equivalents:</b>		
	<b>Cash on Hand</b>	85,584	34,795
	<b>Cheques, Drafts on hand</b>	-	165,600
	<b>Balances with Banks</b>		
	In Current Account	7,221,891	7,237,720
	In Fixed Deposits with maturity up to 3 months	2,000	2,000
		7,223,891	7,239,720
	<b>Total</b>	<b>7,309,475</b>	<b>7,440,115</b>

**Asman Investments Limited**

17	Short Term loans and Advances	Amount in Rs.	
		As at	
		March 31, 2012	March 31, 2011
	Rent Deposits	93,271	93,271
	Advance tax paid (Net of Provision Rs. 10,081,000)	1,893,223	-
	Loans and advances:		
	To Related Parties		
	Considered good	2,412,000	400,000
	Prepaid Expenses	91,850	32,799
	Amount recoverable in cash or kind	50,771	31,642
	<b>Total</b>	<b>4,541,115</b>	<b>557,712</b>

18	Contingent Liabilities	Amount in Rs.	
		As at	
		March 31, 2012	March 31, 2011
	Income Tax Liability for AY 2006-07	154,856	30,000
	<b>Total</b>	<b>154,856</b>	<b>30,000</b>

## SCHEDULE 62

### NOTES FORMING PART OF THE ACCOUNTS

#### **1. COMPANY BACKGROUND**

Asman Investments Limited is a subsidiary company of Arvind Limited engaged in the business of Trading of Fabric and Garments as well as Investments in shares and securities.

#### **2. Significant Accounting Policies:**

##### **Basis of Accounting:-**

- i) The Financial Statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles, applicable accounting standards, the provisions of the Companies Act, 1956 as adopted consistently by the Company.
- ii) The Company follows mercantile system of accounting and recognizes items of income and expenditure on accrual basis.

##### **A) Sales & Operating Income:-**

Sales and Operating Income comprises of sales of fabric and Garments.

##### **B) Fixed Assets:-**

All the fixed assets have been stated at cost inclusive of incidental expenses less accumulated depreciation.

##### **C) Depreciation:-**

The Company has provided depreciation as under:-

- (i) On the assets held for own use, depreciation is provided on straight line method as per rates prescribed in Schedule XIV to the Companies Act, 1956;

**D) Investments:-**

Long term investments are stated at cost.

**E) Revenue Recognition:-**

Dividend is accounted for as and when it is received.

**F) Inventories:-**

Valuation of inventories is made as under:-

- a) Finished Goods - At Lower of cost or Market Value and Cost is measured on actual average for the whole year.

**G) Gratuity:**

(a) The Company covers gratuity for the benefit of the employees at retirement, and the provision is determined as per actuarial valuation carried out by approved valuer at year end.

(b) Liability for employee leave encashment benefits in accordance with the rules of the Company is provided for based on the actuarial valuation carried out by approved valuer at year end.

**H) Taxation**

(a) Current year tax is provided based on taxable income computed in accordance with the provisions of the Income-tax Act, 1961.

(b) Deferred tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent period. Deferred tax assets are recognized on unabsorbed depreciation and carry forward of losses based on virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

**Notes on Accounts:**

**1. Contingent Liabilities:-**

a) Income Tax demands in dispute Rs. 1.55 Lacs (P Y 0.30 Lacs)

2. Previous years' figures have been regrouped wherever necessary.

3. Pending completion of the relevant formalities of transfer of certain assets and liabilities acquired pursuant to the Scheme of Amalgamation such assets and liabilities remain included in the books of the Company under the name of erstwhile Amalgamating Companies.

4. The Company estimates deferred tax/(charge) using the applicable rate of taxation based on the impact of timing difference between financial statements and estimated taxable income for the current year .

The components of the deferred tax balances are as follows:

Description	Rs. In Lacs	
	As at 31-03-2012	As at 31-03-2011
<b>(a) Deferred Tax Liability</b>		
Depreciation	14.76	14.97
<b>Total (a)</b>	<b>14.76</b>	<b>14.97</b>
<b>(b) Deferred Tax Asset</b>		
Expenditure u/s. 43B of Income Tax Act, 1961	1.05	1.44
Provision for Gratuity disallowed in the return of income	0.95	0.92
<b>Total (b)</b>	<b>2.00</b>	<b>2.36</b>
<b>Net Liability</b>	<b>12.76</b>	<b>12.61</b>



1	Name of Parties	Relationship
	Arvind Limited	Holding Company
	Arvind Retail Limited	Subsidiary of Holding
	Arvind Lifestyle Brands Ltd	Subsidiary of Holding
		Subsidiary
	Arvind Infrastructure Limited	of Holding
	Arvind Overseas (M) Limited	Subsidiary
	Arvind Spinning Limited	Subsidiary
	Arvind World (M) Inc	Subsidiary

2 Transactions during the year with related parties

		Holding	Subsidiary	Subsidiary	Total
		Company	Companies	of Holding Company	
<b>a</b>	<b>Unsecured Loans</b>				
	Taken during the year	100.00			100.00
	Repaid during the Year	2548.68			15758.94
	Adjusted (reduced) on account of demerger	13210.26			13210.26
	Balance as at 31-03-2012	65.94			65.94
<b>b</b>	<b>Investments</b>				
	Balance as at 31-03-2012		32.64		32.64
<b>c</b>	<b>Sundry Debtors</b>				
	Balance as at 31-03-2012	8.36		1.28	9.83
<b>d</b>	<b>Loans &amp; Advances</b>				
	Balance as at 31.3.2012			24.12	24.12
<b>e</b>	<b>Current Liabilities</b>				
	Other Liabilities	272.43			272.43
	Sundry Creditors	2278.19			2278.19
<b>f</b>	<b>Income</b>				
	Rent Income	1.32		1.20	8.76
<b>g</b>	<b>Expenditures</b>				
	Purchases	8810.42		59.18	8869.60
	Sales	57.90		0.46	58.36

6. Subsequent to last year's Balancesheet date, the Board of Directors of the company in their meeting held on 20<sup>th</sup> May, 2011, approved the scheme of arrangement between Arvind Prodcuts Limited, Asman Investments Limited and Arvind Limited in the nature of Amalgamation of Arvind Products Limited with Arvind Limited and De-merger of Investment Division of Asman Investments Limited to Arvind Limited. In response to petition for De-merger of Investment Division of Asman Investments Limited to Arvind Limited, filed before the appropriate authority, the Hon'ble High Court, Gujarat approved the scheme of arrangement by order dated 29th December, 2011. Pursuant to order received the company has given requisite adjustments in the financial statements

7. Quantitative Details.

	Year	Opening Stock		Purchases		Sales		Closing Stock	
		Qty	Rs /Lacs	Qty	Rs /Lacs	Qty	Rs /Lacs	Qty	Rs /Lacs
Garments(Nos)	2011-12	42806	126.26	93367	349.46	107696	516.31	28477	118.57
Cloths(Mtrs)		38346	54.78	60365	101.90	69249	148.99	22719	40.94
Cloths (Mtrs) Trading		0	0	8111422	8772.45	8111422	8819.92	0	0
Garments(Nos)	2010-11	36569	111.88	156064	383.30	149827	368.93	42806	126.26
Cloths(Mtrs)		38346	44.33	82159	119.44	88692	110.97	31813	54.78
Cloths (Mtrs) Trading		0	0	4660636	5050.73	4660636	5099.58	0	0

On behalf of the Board of Directors

For Mehta Sheth & Associates

Firm Registration No.

Chartered Accountant

*Salil Sheth*

Salil Sheth

Partner

*Jagdish G. Dalal*

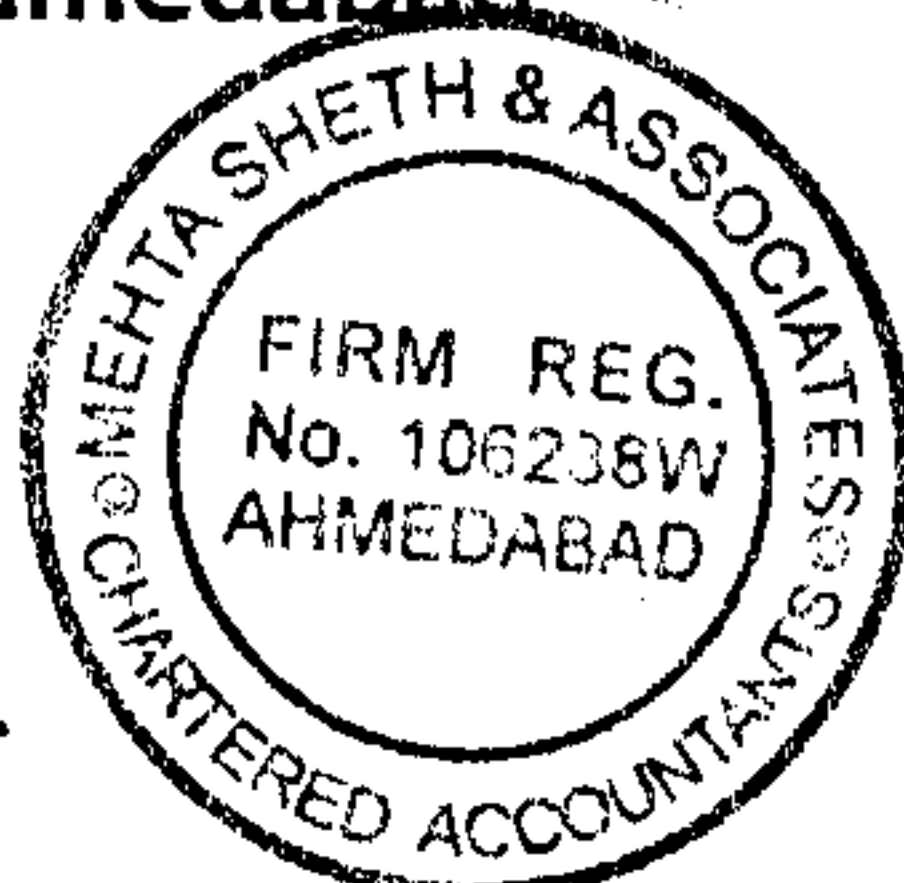
Jagdish G. Dalal Director

*Hiren Rao*

Hiren Rao Director

Place : Ahmedabad

Date :



Place : Ahmedabad

Date :