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To
The Board of Directors,
Arvind Worldwide(M)Inc.
Arvind Mills Ltd.
Ahmedabad

We have audited the attached Balance sheet of Arvind Worldwide(M) Inc. as at 31st March 2012 and also the annexed Profit & Loss Account of the company for the year ended on that 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.

We conducted our audit in accordance with 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 report that, in our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with notes thereon give the information in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.

- (a) In case of Balance sheet, of the state of affairs of the company as at 31st March 2012
(b) In the case of Profit & Loss account, of the Profit for the year ended on that date.

Date : 28th April, 2012
Place: Ahmedabad



For Mehta Sheth & Associates;
Chartered Accountants


(Sall G. Sheth)

Partner

Membership No. 110500.

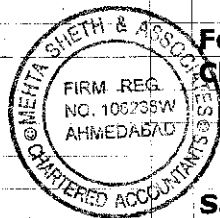
ARVIND WORLDWIDE (M) INC.

BALANCE SHEET As At- 31-03-2012

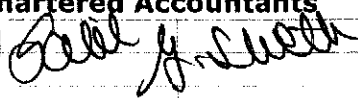
	As at 3/31/2012	As at 3/31/2011
	\$	\$
DEFICIT OF ASSETS		
Non current assets		
Investment	0	0
Tangible fixed assets	0	0
	0	0
Current assets		
Inventories	0	0
Trade and other receivables	295050	295050
Bank and cash balances	19590	32271
	314640	327320
Current liabilities		
Trade and other payables	175641	175641
	175641	175641
NET CURRENT ASSETS/(LIABILITIES)	138998	151679
	138998	151679
REPRESENTED BY		
Capital and reserves		
Share capital	5484000	5484000
Reserves	-6290002	-6277321
	-806002	-793321
Unsecured Loan		
Loans (Liability)	945000	945000
	138998	151679

For Arvind Worldwide (M) Inc.


Director



For Mehta Sheth & Associates
Chartered Accountants

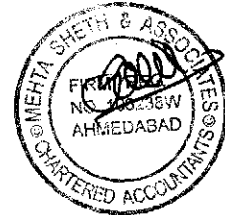


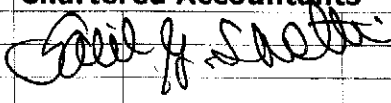

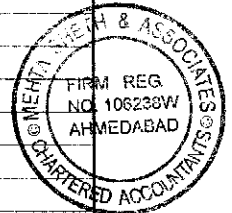
Salil G. Sheth
Partner

ARVIND WORLDWIDE (M) INC.			
BALANCE SHEET DETAILS			
FOR THE YEAR ENDED 31-03-2012			
	31-03-12	31-03-12	AW (M) Inc
	AWM-Inc-UK	REDS	TOTAL
	\$	\$	\$
FIXED ASSETS			
Tangible Assets			
Investments			
CURRENT ASSETS			
Stock (Valued at Cost)	0	0	0
Debtors	295050	0	295050
Bank Balances	19590	0	19590
Loans & Advances	0	0	0
	314640	0	314640
REDS Division (Bank A/c Trf)	0	0	0
CREDITORS			
O/s Liab.for Exps	0	43918	43918
Vat Payable	0	0	0
	29917	145724	175641
NET CURRENT ASSETS	284722	-145724	138998
TOTAL ASSETS	284722	-145724	138998
CAPITAL AND RESERVES			
Head Office account	4984000	0	4984000
Capital Reserve	1130045	0	1130045
Profit and loss account	-6761641	-145724	-6907365
Profit and loss account CY	-12681	0	-12681
TOTAL HEAD OFFICE FUNDS	-660277	-145724	-806001
Unsecured Loans (Liabilities)	945000	0	945000
TOTAL LIABILITIES	284723	-145724	138999
Dif	0	0	0



ARVIND WORLDWIDE (M) INC.		
Details of Receirables & Payables ason 31-03-2012		
Name of the Party	USD	Details
<u>Due to (Loan)</u>		
Arvind Ltd	945,000	
	945,000	
<u>Due to (Creditors)</u>		
Arvind Ltd-Shtg. Classic line	79,303	Purchase
Arvind Ltd-Denim	(39,870)	Purchase Return
Arvind Ltd-DGD Blore	(9,516)	Asset Sale
Arvind Fashions Ltd	101,806	Reds Div.-Purchase
Arvind Ltd-Denim	43,918	Reds Div-Royalty
	175,641	
<u>Due from (Debtors)</u>		
Arvind Ltd	295,049	Sale of Denim
	295,049	



ARVIND WORLDWIDE (M) INC.			
DETAILED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31-03-2012			
		UPTO 31-03-2012 TOTAL \$	UPTO 31-03-2011 TOTAL \$
TURNOVER		0	0
COST OF SALES	1	0	0
DIRECT EXPENSES		0	0
		0	0
GROSS PROFIT / (LOSS)		0	0
OTHER INCOME	2	0	0
Administrative & Other Expenses	2	12,681	12,915
		0	0
PROFIT/(LOSS) FOR THE YEAR		(12,681)	(12,915)
For Arvind Worldwide (M) Inc.		For Mehta Sheth & Associates Chartered Accountants	
			
 Director		Salil G. Sheth Partner	
			

ARVIND WORLDWIDE (M) INC	
Administrative & Other Expenses	
FOR THE PERIOD ENDED 31st March 2012	
Cur: USD	
	TOTAL
Indirect Expenses	310312
1 Bank Charges	0
2 Bank Charges - Collections	0
3 Bank Charges - Others	1098
4 Bank Interest	
5 Misc Exp	
6 Office Exp	
7 Professional Fees	11344
8 Legal Exps	
9 ROC Annual Fees	240
10 Forex gain and loss	
11 Sundry Debits W/off.	
12 Unadjusted Forex Gain/Loss	
13 Sales Claims	
14 Discount	
15 Telephone Exp	
16 Sundry Debtors W.off	
TOTAL	12681



ARVIND WORLDWIDE (M) INC.

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31.03.2012**

1. PRINCIPAL ACCOUNTING POLICIES

The principal accounting policies adopted by the company are as follows:

(a) Basis of accounting

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards.

(b) Turnover

Turnover represents the total invoiced values, net of value added tax, of all sales of goods and services, less discounts, allowances and returns.

(c) Depreciation

Since the company does not have any fixed assets no depreciation has been provided during the year.

(d) Inventories

Inventories are valued at the lower of cost and net realisable value.

(e) Foreign currencies

Assets and liabilities denominated in foreign currencies other than the U.S Dollar are translated into U.S Dollars at the rates of exchange ruling at the balance sheet date. Differences on exchange arising from the retranslatin of the opening reserves and from the translation of the results for the period at the year end rate are taken to reserves. All other foreign exchange differences are taken to the profit and loss account of the period in which they arise.

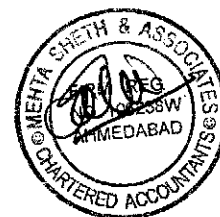
(f) Organisation and operations

UK Branch

Arvind Worldwide (M) Inc. - UK Branch is the UK branch of Arvind Worldwide (M) 'Inc., a company incorporated in Mauritius (Head Office) which in turn is a wholly owned subsidiary of Arvind Mills Limited., a company incorporated in India (Parent Company).

The UK Branch is principally engaged in the provision of sales and marketing services in the European region for its parent Company.

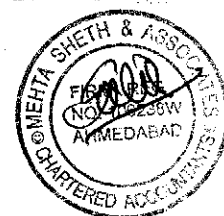
The Company is doing the Business of Denim & Shirting Products with its Parent comapany Arvind Ltd through its UK Branch



ARVIND WORLDWIDE (M) INC.

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31.03.2012

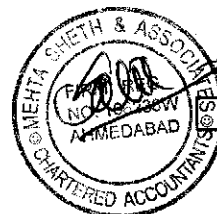
	USD 31.03.2012	USD 31.03.2011
1 RELATED PARTY TRANSACTIONS		
The following transactions were carried out with related parties:		
Purchases		
The Arvind Mills Limited	-	-
Arvind Overseas (M) Ltd.	-	-
Arvind Fashions Ltd	-	-
Purchases Return		
The Arvind Mills Limited	-	-
Arvind Overseas (M) Ltd.	-	-
Arvind Mills Ltd Garment Bangalore	-	-
Due to		
Arvind Products Limited	-	-
Arvind Fashions Ltd	101,806	101,806
Arvind Mills Limited	83,351	83,351
Due from		
Arvind Mills Limited	295,049	295,049
AML DGD Blore	9,516	9,516
	-	-
	-	-
Transaction of loan Due to		
Arvind Mills Ltd	945,000	945,000
Arvind Overseas(Mauritius) Ltd	-	-
Transaction of loan Due from		
Arvind Worldwide Inc.USA	-	-
2 INVENTORIES		
Finished goods and goods held for resale	-	-
3 TRADE AND OTHER RECEIVABLES		
Loans & Advances	-	-
Sundry Debtors	295,050	295,050
	<u>295,050</u>	<u>295,050</u>



ARVIND WORLDWIDE (M) INC.

NOTES TO THE ACCOUNTS

	USD 31.03.2012	USD 31.03.2011
4 TRADE AND OTHER PAYABLES		
Trade creditors	131,723	131,723
Taxes and social security costs		
Other payables	43,918	43,918
Accruals and deferred income		
	175,641	175,641
5 SHARE CAPITAL		
<u>Authorised</u>		
100,000 Shares of USD 100 each	10,000,000	10,000,000
<u>Issued and Fully Paid</u>		
54,840 Shares of USD 100 each	5,484,000	5,484,000
6		
Opening Revenue Reserve	(7,407,366)	(7,394,450)
Profit during the year	(12,681)	(12,915)
Capital Reserve	1,130,045	1,130,045
Exchange rate on retranslation	0	0
	(6,290,002)	(6,277,321)
7 COST OF SALES		
Opening stock	0	0
Purchase (Purch Return)	0	0
	0	0
Closing stock	0	0
	0	0
Direct Expenses	0	0
9 Other Income (Sundry Cr.W.off)	0	0
9-A Other Income (MISC.INCOME)	0	0
9-B <u>Administrative Expenses</u>	31.03.2012	31.03.2011
1 Bank Charges	0	0
2 Bank Charges - Collections	0	0
3 Bank Charges - Others	1098	1805
4 Bank Interest		
5 Misc Exp		
6 Office Exp		
7 Professional Fees	11344	10195
8 Legal Exps	0	676
9 ROC Annual Fees	240	240
10 Forex gain and loss		
11 Sundry Debits W/off.	0	0
12 Unadjusted Forex Gain/Loss	0	0
13 Sales Claims	0	0
14 Discount		
16 Sundry Debtors W.off	0	0
TOTAL	12681	12915



ARVIND WORLDWIDE (M) INC.


NOTES TO THE ACCOUNTS

	31.03.2012 USD	31.03.2011 USD
10 EARNINGS/(LOSS) PER SHARE		
Earnings per share is based on Loss / profit for the period and 54,840 shares in issue.	(0.23)	
11 CASH GENERATED FROM OPERATIONS		
Profit/(Loss) for the year	(12,681)	
Adjustments for:		
Capital reserve	-	
Depreciation	-	
Provision for diminution in value of investments	-	
Movements in working capital:		
(Increase) / Decrease in stocks	-	
(Increase) / Decrease in trade and other receivables	-	
Increase / (Decrease) in trade and other payables	-	
	(12,681)	
12 TAXATION		
The company has been established as an "Offshore Company" for the purpose of the Mauritius Offshore Business Activities Act 1992.		
13 HOLDING COMPANY		
The holding company is Arvind Ltd, a company incorporated in India.		
14 GOING CONCERN		
The financial statements have been prepared on a going concern basis which assumes that the Company will continue in operational existence for the foreseeable future. The validity of this assumption depends on the continued support of the shareholders.		
The directors are of the opinion that this support will be forthcoming over the next twelve months. They therefore believe that it is appropriate for the financial statements to be prepared on a going concern basis.		
15 There is no Revenue Commitments for the next year.		

For Arvind Worldwide (M) Inc.

x 
Director

**For Mehta Sheth & Associates
Chartered Accountants**



**Salil G. Sheth
Partner**

