Annual Report 2011-12

CANTABIL ITALY
International Clothing

Cantabil Retail India Limited

Annual Report 2011-12

CANTABIL ITALY
International Clothing

24th ANNUAL GENERAL MEETING

BOARD OF DIRECTORS

Mr. Vijay Bansal	–	Chairman - cum - Managing Director
Mr. Deepak Bansal	–	Whole Time Director
Mr. Anil Bansal	–	Whole Time Director
Mr. Lalit Kumar	–	Director
Dr. Arun Kumar Roopanwal	–	Director
Mr. Brij Mohan Aggarwal	–	Director

Company Secretary – Ms. Poonam Chahal

Chief Financial Officer – Mr. Rajesh Rohilla

Auditors – M/s Suresh & Associates
Chartered Accountants
New Delhi

Registered Office – B-47, Ist Floor, Lawrance Road,
Industrial Area, Delhi - 110035

Register & Transfer Agent – **Beetal Financial and Computer Services Pvt. Ltd.**
Beetal House, 3rd Floor,
99, Madangir, Behind Local
Shopping Complex,
Near Dada Harsukhdas Mandir,
New Delhi - 110062

Banker
- Oriental Bank of Commerce
- Standard Chartered Bank Ltd.
- Axis Bank Ltd.
- HDFC Bank Ltd.
- State Bank of India
- Union Bank of India

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NOTICE OF 24th ANNUAL GENERAL MEETING

Notice is hereby given that 24th Annual General Meeting of CANTABIL RETAIL INDIA LIMITED will be held on Saturday September 29, 2012 at 9.00 A.M. at Tivoli Garden Resort Hotel, Chhattarpur Hills, Mehrauli, New Delhi- 110 064 to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt Audited Balance Sheet as on March 31, 2012 and the Profit and Loss Account for the financial year ended on that date together with the report of the Directors and Auditors thereon.
2. To appoint a director in place of Mr. B. M. Aggarwal, Director, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a director in place of Mr. Arun Kumar Roopanwal, Director, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditor of the Company and for the purpose, to consider and if thought fit, to pass with or without modification, the following resolution as an ORDINARY RESOLUTION:

   "RESOLVED THAT M/s Suresh & Associates, Chartered Accountants, be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting, on a remuneration as may be mutually agreed between the said Auditors and the Board of Directors."

SPECIAL BUSINESS:

5. To consider and if thought fit, to pass with or without modification, the following resolution as a SPECIAL RESOLUTION:

   "**RESOLVED THAT** pursuant to the provisions of Sections 197A, 198, 269, 309, 310 and 311 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 (hereinafter referred to as 'the Act', including any statutory modifications or re-enactment thereof for the time being in force), consent of the members be and is hereby accorded for re-appointment of Mr. Vijay Bansal as Chairman cum Managing Director of the Company, whose office shall not be liable to retire by rotation, for the period of five years w.e.f 15th September, 2012 till September 14, 2017 on the terms and conditions as recommended by the Remuneration Committee and approved by the Board of Directors on 8th August, 2012 enumerated herein below:

   A. **Salary**: Upto Rs.36,00,000/- (Rupees Thirty Six Lacs Only) per annum with the authority granted to the Board of Directors (hereinafter referred to as "the Board" which term shall include a Committee of Directors) to determine the Salary, Allowances & Perquisites and grant increase from time to time on the recommendation of the Remuneration Committee within the limits of Rs. 36,00,000/- (Rupees Thirty Six Lacs Only).

B. Commission: Not exceeding 1% of the Net Profits of the Company as may be determined by the Board in accordance with the provisions of the Act.

C. Perquisites and Allowances:

(i) Conveyance Allowance: Rs. 800/- per month.

(ii) Medical Re-imbursement/allowance: Re-imbursement of actual expenses for self and family as per rules of the Company.

(iii) Leave travel concession/allowance: For self and family as per rules of the Company

(iv) Company car and telephone: Expenses in relation to use of Company car and telephone for official purpose.

(v) Provision for driver/Allowance for driver's salary: As per rules of the Company.

(vi) Any other expenses incurred/re- imbursed not specifically included hereinabove.

D. Other Benefit:

(i) Leave: As per rules of the Company.

(ii) Company's contribution to provident fund: As per rules of the Company.

(iii) Gratuity: As per rules of the Company.

(iv) Encashment of leave: As per the rules of Company.

The total remuneration including Allowances & Perquisites shall not exceed the limits specified in Schedule XIII to the Act or the amount specified by the Central Government, as the case may be.

E. Minimum Remuneration:

Where in any financial year, the Company incurs a loss or its profit are inadequate, the Managing Director shall be paid remuneration within the minimum remuneration specified in Schedule XIII of the Companies Act, 1956.

F. Other Terms:

(i) He shall be entitled to reimbursement of entertainment expenses and other out of pocket expenses incurred in connection with the business of the Company.

(ii) As long as he functions as a Managing Director, he shall not be paid any sitting fees to attend the meetings of the Board and /or Committees thereof.

(iii) He shall be required to travel abroad for business promotion as and when required and all expenses incurred during such foreign travel will be governed by the Company's policy regarding foreign travel.

(iv) If at any time, the Managing Director ceases to be a Director of the Company for whatsoever cause/ reason, he shall cease to be the Managing Director of the Company.

(v) The appointment may be terminated by either party giving the other party three months notice in writing on the expiry of which, the appointment will come to an end. It is hereby agreed that the Company may terminate his appointment by paying to the Managing Director his three months' salary in lieu of three months notice in writing.

The Board may, in its absolute discretion, pay to him lower remuneration than the remuneration stipulated hereinabove and increase it from time to time on the recommendation of the Remuneration Committee.

"**RESOLVED FURTHER THAT** Mr. Vijay Bansal, Chairman-cum-Managing Director and/or Ms. Poonam Chahal, Company Secretary, be and are hereby severally authorized to do all the necessary acts deeds and things, as and when required to give effect to this Resolution."

6. To consider and if thought fit, to pass with or without modification, the following resolution as a SPECIAL RESOLUTION:

"**RESOLVED THAT** pursuant to the provisions of Sections 198, 269 and 309 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 (hereinafter referred to as 'the Act', including any statutory modifications or re-enactment thereof for the time being in force), consent of the members be and is hereby accorded for re-appointment of Mr. Deepak Bansal as Whole Time Director of the Company whose office shall not be liable to retire by rotation, for the period of five years w.e.f 15th September, 2012 on the terms and conditions as recommended by the Remuneration Committee and approved by the Board of Directors on 8th August, 2012 enumerated herein below:

A. Salary: Upto Rs.30,00,000/- (Rupees Thirty Lacs Only) per annum with the authority granted to the Board of Directors (hereinafter referred to as "the Board" which term shall include a Committee of Directors) to determine the Salary, Allowances & Perquisites and grant increase from time to time on the recommendation of the Remuneration Committee within the limits of Rs. 30,00,000/- (Rupees Thirty Lacs Only).

B. Commission: Not exceeding 1% of the Net Profits of the Company as may be determined by the Board in accordance with the provisions of the Act.

C. Perquisites and Allowances:

(i) Conveyance Allowance: Rs. 800/- per month.

(ii) Medical Re-imbursement/allowance: Re-imbursement of actual expenses for self and family as per rules of the Company.

(iii) Leave travel concession/allowance: For self and family as per rules of the Company

(iv) Company car and telephone: Expenses in relation to use of Company car and telephone for official purpose.

(v) Provision for driver/Allowance for driver's salary: As per rules of the Company.

(vi) Any other expenses incurred/re- imbursed not specifically included hereinabove.

D. Other Benefit:

(i) Leave: As per rules of the Company.

(ii) Company's contribution to provident fund: As per rules of the Company.

(iii) Gratuity: As per rules of the Company.

(iv) Encashment of leave: As per rules of the Company.

The total remuneration including Allowances & Perquisites shall not exceed the limits specified in Schedule XIII to the Act or the amount specified by the Central Government, as the case may be.

E. Minimum Remuneration:

Where in any financial year, the Company incurs a loss or its profits are inadequate, the Managing Director shall be paid remuneration within the minimum remuneration specified in Schedule XIII of the Companies Act, 1956.

F. Other Terms:

(i) He shall be entitled to reimbursement of entertainment expenses and other out of pocket expenses incurred in connection with the business of the Company.

(ii) As long as he functions as a Whole Time Director, he shall not be paid any sitting fees to attend the meetings of the Board and /or Committees thereof.

(iii) He shall be required to travel abroad for business promotion as and when required and all expenses incurred during such foreign travel will be governed by the Company's policy regarding foreign travel.

(iv) If at any time, the Whole Time Director ceases to be a Director of the Company for whatsoever cause/ reason, he shall cease to be the Whole Time Director of the Company.

(v) The appointment may be terminated by either party giving the other party three months notice in writing on the expiry of which, the appointment will come to an end. It is hereby agreed that the Company may terminate his appointment by paying to the Whole Time Director his three months' salary in lieu of three months notice in writing.

The Board may, in its absolute discretion, pay to him lower remuneration than the remuneration stipulated hereinabove and increase it from time to time on the recommendation of the Remuneration Committee.

"**RESOLVED FURTHER THAT** Mr. Vijay Bansal, Chairman-cum- Managing Director and/or Ms. Poonam Chahal, Company Secretary, be and are hereby severally authorized to do all the necessary acts deeds and things, as and when required to give effect to this Resolution."

7. To consider and if thought fit, to pass with or without modification, the following resolution as a SPECIAL RESOLUTION:

"**RESOLVED THAT** pursuant to the provisions of Sections 198, 269 and 309 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 (hereinafter referred to as 'the Act', including any statutory modifications or re-enactment thereof for the time being in force), consent of the members be and is hereby accorded for re-appointment of Mr. Anil Bansal as Whole Time Director of the Company for the period of five years w.e.f 15th September, 2012 on the terms and conditions as recommended by the Remuneration Committee and approved by the Board of Directors on 8th August, 2012 enumerated herein below:

A. Salary, Allowances & Perquisites: Upto Rs.3,60,000/- (Rupees Three Lac and Sixty Thousand Only) per annum with the authority granted to the Board of Directors (hereinafter referred to as "the Board" which term shall include a Committee of Directors) to determine the Salary, Allowances & Perquisites and grant increase from time to time on the recommendation of the Remuneration Committee within the limits of Rs. 3,60,000/- (Rupees Three Lac and Sixty Thousand Only).

B. The Board may, in its absolute discretion, pay to him lower remuneration than the remuneration stipulated hereinabove and increase it from time to time on the recommendation of the Remuneration Committee.

C. The total remuneration including Allowances & Perquisites shall not exceed the limits specified in Schedule XIII to the Act or the amount specified by the Central Government, as the case may be."

"**RESOLVED FURTHER THAT** Mr. Vijay Bansal, Chairman-cum- Managing Director and/or Ms. Poonam Chahal, Company Secretary, be and are hereby severally authorized to do all the necessary acts deeds and things, as and when required to give effect to this Resolution."

By Order of the Board
For **Cantabil Retail India Limited**

Sd/-

Date : 8th August 2012
Place : New Delhi

POONAM CHAHAL
Head- Legal & Company Secretary

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. **THE INSTRUMENT APPOINTING A PROXY SHOULD BE DEPOSITED AT THE COMPANY'S REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE AFORESAID MEETING. A PROXY FORM IS ATTACHED HEREWITH.**

3. An explanatory statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of the Special Businesses set out in item No. 5, 6 & 7 of the Notice is annexed hereto.
4. Corporate Members intending to send their authorised representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the meeting.
5. The Register of Members and the Share Transfer Books of the Company will remain closed from September 21, 2012 to September 29, 2012 (both days inclusive)
6. Members who would like to ask any questions on the accounts are requested to send their questions at Corporate Office of the Company at least 10 days before the Annual General Meeting to enable the Company to answer their queries satisfactorily.
7. Members are requested to intimate any change of particulars including address, bank mandate and nomination of shares held in demat form by notifying only to the respective Depository Participants (DPs) where the member has opened his/her demat account. However any change in particulars in respect of shares held in physical form should be sent to the Company's Share Transfer Agents M/s Beetal Financial & Computer Services (P) Ltd.- Beetal House, 3rd Floor, 99, Madangir Behind Local Shopping Centre, New Delhi- 110 062.
8. Members are requested to notify their e-mail addresses to the Company's share transfer agents in order to enable the Company to send the documents electronically as permitted by Ministry of Corporate Affairs.
9. As a measure of economy, distribution of copies of the Annual Report at the Annual General Meeting shall not be made. Therefore, Members are requested to bring their copies of the Annual Report to the Annual General Meeting.
10. The members/proxies should bring the attendance slip duly filled in and signed for attending the meeting.
11. Pursuant to the requirements of clause 49 of the Listing Agreement entered into with stock exchanges, the information about the Directors proposed to be appointed/ reappointed is given in the Annexure to the notice.

By Order of the Board

For **Cantabil Retail India Limited**

Sd/-

POONAM CHAHAL
Head- Legal & Company Secretary

Date : 8th August 2012
Place : New Delhi

EXPLANATORY STATEMENT

(Pursuant to section 173 (2) of the Companies Act, 1956)

Item No. 5

Mr. Vijay Bansal is the promoter of the Company and has made invaluable contribution towards the growth of the Company since its inception in the year 1989. He was appointed as a "Managing Director" of the Company designated as "Chairman-cum Managing Director" by the Board of Director vide resolution dated 15th September, 2009 for a period of 3 years w.e.f. 15th September, 2009, further approved by shareholders in the Extra- Ordinary General Meeting held on 19th November, 2009. In view of the experience and invaluable contribution of Mr. Vijay Bansal towards the growth of the Company and on recommendation and approval of Remuneration Committee held on 8th August, 2012 and meeting of Board of Directors held on 8th August, 2012 has reappointed Mr. Vijay Bansal as Chairman cum Managing Director of the Company for a period of 5 years i.e. up to 14th September, 2017. The reappointment is subject to the approval of shareholders.

He will not be liable to retire by rotation during his term of office as Managing Director.

Your Directors therefore, recommend the resolution as set out as item no. 5 of the notice for your approval.

Mr. Vijay Bansal is interested in this resolution as it concern to him.

Mr. Deepak Bansal, Whole Time Director of the Company is also interested in the resolution being related to the said Managing Director.

Item No. 6

Mr. Deepak Bansal was appointed as Whole Time Director of the Company, by the Board of Directors vide resolution dated 15th September, 2009 for a period of 3 years w.e.f. 15th day of September, 2009, as per terms & conditions and on the remuneration approved by the Board as agreed between Board and Mr. Deepak Bansal. Further the shareholders have approved the said remuneration alongwith certain perquisites in the Extra- Ordinary General Meeting held on 19th November, 2009.

At present Mr. Deepak Bansal is drawing salary and allowances to the tune of Rs.18,00,000/- (Rupees Eighteen Lacs Only) per annum.

He has been actively involved in looking after marketing operation as well as operation of the retail outlets of the company all over India. In view of the experience and invaluable contribution of Mr. Deepak Bansal towards the growth of the Company and on recommendation and approval of Remuneration Committee held on 8th August, 2012 and meeting of Board of Directors held on 8th August, 2012, has reappointed Mr. Deepak Bansal as Whole Time Director of the Company for a period of 5 years i.e. up to 14th September, 2017. The reappointment is subject to the approval of shareholders.

He will not be liable to retire by rotation during his term of office as Whole Time Director.

Your Directors therefore, recommend the resolution as set out as item no. 6 of the notice for your approval.

Mr. Deepak Bansal is interested in this resolution as it concern to him.

Mr. Vijay Bansal, Chairman cum Managing Director of the Company is also interested in the resolution being related to the said Whole Time Director.

Item No. 7

Mr. Anil Bansal was appointed as Whole Time Director of the Company, by the Board of Directors vide resolution dated 15th September, 2009 for a period of 3 years w.e.f. 15th day of September, 2009. Mr. Anil Bansal is a post graduate. Due to his in-depth knowledge of demographic composition, he effectively manages stores in Delhi & NCR and plays an important role in implementing different schemes to promote our brand. He has been associated with Cantabil since he joined us as General Manager. In view of the contribution of Mr. Anil Bansal towards the growth of the Company and on recommendation and approval of Remuneration Committee held on 8th August, 2012 and meeting of Board of Directors held on 8th August, 2012, has reappointed Anil Bansal as Whole Time Director of the Company for a period of 5 years i.e. up to 14th September, 2017. The reappointment is subject to the approval of shareholders.

Your Directors therefore, recommend the resolution as set out as item no. 7 of the notice for your approval.

Mr. Anil Bansal is interested in this resolution as it concern to him.

By Order of the Board
For **Cantabil Retail India Limited**

Sd/-
POONAM CHAHAL
Head- Legal & Company Secretary

Date : 8th August 2012
Place : New Delhi

DETAILS OF THE DIRECTORS SEEKING RE-APPOINTMENT

(Pursuant to clause 49 of the Listing Agreement)

Name of Director	Mr. B.M Aggarwal	Mr. Arun Kumar Roopanwal
Date of birth & Age	08.08.1953 59 Years	23.03.1951 61Years
Nationality	Indian	Indian
Appointed on	11.09.2009	11.09.2009
Expertise in specific functional areas	Finance and Accounts. He advises us on planning and expansion of the business	Textiles & Strategic directions to the Company for managing business operations.
Brief Resume	Mr. Brij Mohan Aggarwal is an Independent Director. He is FCA with over 3 decades of professional experience in the field of corporate and financial consultancy, project planning and consultancy and financial publishing and editing. He advises us on planning and expansion of our business.	Dr. Arun Kumar Roopanwal is an Independent Director. He holds a Ph. D degree in textiles from the Indian Institute of Technology. He has vast experience in Textiles Industry and held various top managerial position in past like Executive Director for GIVO Ltd. CEO for Niryat Sam Apparels (India) Limited, Vice President of Sutlej Textile Industries and Senior Scientific Officer in Ministry of Textiles.
List of Directorships held in other Companies	Director in ABM Corporate Consulting Pvt. Ltd.	Director in Sarthak Creations Pvt. Ltd.
Membership/ Chairmanship of various Board Committees	Cantabil Retail India Limited: Chairman- Audit Committee, Shareholder Grievance Redressal Committee, Remuneration Committee	Cantabil Retail India Limited: Member- Remuneration Committee
Shareholding of Non-Executive Directors in Cantabil Retail India Ltd.	NIL	NIL

DIRECTORS' REPORT

To

The Shareholders,

Cantabil Retail India Limited

Your Directors have immense pleasure in presenting the 24th Annual Report on the business and operations of the Company together with the Audited Statements of Accounts of the Company for the year ended 31st March 2012.

FINANCIAL HIGHLIGHT:

The financial results of the Company for the year under review are compared below with the previous year's results for your consideration:

(Rs. In Lacs)

	For the year ended 31.03.2012	For the year ended 31.03.2011
Total Revenue	15964.13	18656.85
Profit before Tax & Depreciation	(2319.13)	1960.94
Profit before Tax	(2583.81)	1708.31
Provision for Income Tax	1.33	554.35
Provisions for Deffered Tax Liability/ (Assets)	(38.33)	(83.79)
Profit after Tax	(2546.82)	1237.75

REVIEW OF PERFORMANCE

During the year, textile industry showed sluggish growth due to erratic raw material price movement and its resultant impact on the production. The year under review, your Company recorded a slowdown. Revenue from operations went down from Rs. 18656.85 to 15964.13 lacs in Financial Year 2011-12 recording a downfall of 14.43 percent.

Due to the higher cost and squeezed margins, the operations resulted in a post tax loss of Rs. 2546.82 lacs as against profit of Rs. 1237. 75 lacs in the previous year.

Your company has a healthy track record which coupled with various initiatives such as launching of new products and concerted R&D activities would be the key drivers for the growth in the current year. However, continued lower industrial production and difficult economic environment poses the challenges for the year ahead.

INITIAL PUBLIC OFFER

Your Company entered the capital market issue of 77,77,778/- Equity shares of Rs.10/- each for cash at a price of Rs. 135/- per Equity Share (including a share premium of Rs. 125/- per Equity Share) through 100% Book Building Route. Following is the utilization of funds as on 30th June, 2012.

Particulars	Objects as per Prospectus**	Actual Utilization
Amount received from IPO		**10,500**
Utilisation of funds upto June 30, 2012		
Establishment of new manufacturing facility	3,203	1,649
Expansion of our Retail Network**	1,248	680
Additional Working Capital**	3,250	3,250
Repayment of Debt**	3,000	3,000
General Corporate Purposes	200	69
Expenses of the issue	978	1,009
	11,878	9,656
Unutilised Amount		
Temporary deployment of unutilised amount as follows:		
Investment in Units of Mutual Funds		675
Balance with Banks		157
Cash		11
Total		10,500

** As approved by the shareholders in the EGM through Postal Ballot, the object of Retail Expansion has been scaled down by Rs. 12.50 cr. and the same amount has been utilized for debt repayment of the Rs. 10 cr. and for additional Working Capital of Rs. 2.50 cr.

DIVIDEND

Keeping in view of the non profitability of the previous year, your Directors are of the opinion not to declare any dividend.

TRANSFER TO RESERVES

The Company did not propose to transfer any amount to the General Reserve.

CORPORATE GOVERNANCE:

Cantabil Retail India Limited Committed to conducting business of your Company with the highest level of integrity and transparency. The commitment of your Company is clearly reflected in the business activities of the Company. Your Company fully confirm to standards set out by SEBI and other regulatory authorities and has implemented and complied with all of its major stipulations. Report on Corporate Governance as stipulated by clause 49 of the Listing Agreement with the stock exchanges forms a part of the Annual Report. The Compliance Certificate from a practicing Company Secretary by your Company is attached to the Report on Corporate Governance.

CODE OF CONDUCT:

As per Clause 49(I)(D), the Board of the Company has laid down Code of Conduct for all the Board Members of the Company and senior management as well and the same has been posted on website of the Company. Annual Compliance Report for the year ended 31st March 2012 has been received from all the Board members and senior management of the Company regarding the compliance of all provisions of Code of Conduct. Declaration regarding compliance by Board members and senior management personnel with the Company's Code of Conduct is hereby attached as annexure to this report.

MANAGEMENT DISCUSSION AND ANALYSIS:

A detailed review of operations, performance and future outlook of the Company is given separately under the head Management Discussion and Analysis and forms part of this report.

DEPOSITS:

The Company has not accepted any deposit within the meaning of Section 58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, 1975 made thereunder.

LISTING FEES:

The equity shares of your company are listed on the Bombay Stock Exchange Limited and National Stock Exchange of India Limited. The Annual Listing fee for the financial year 2012-2013 has been paid.

DEMATERIALISATION OF SHARES:

Your Company has entered into agreements with the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for dematerialization of shares of the company. Accordingly shares of the company are available for dematerialization and can be traded in Demat form.

DEMAT SUSPENSE ACCOUNT:

As per the Registrar to the Issue, M/s. Beetal Financial & Computer Pvt. Ltd., there is no unclaimed share lying in the Escrow Account of the Company which is required to be disclosed in view of the compliance of the provisions of Clause 5A of the Listing Agreement.

DIRECTORS:

Pursuant to provisions of the Companies Act, 1956, and Articles of Association of the Company, Mr. Brij Mohan Aggarwal and Dr. Arun Kumar Roopanwal, Indpendent Directors of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible, have offer themselves for re-appointment.

Yours Directors recommend their re-appointment.

Brief resume of the Directors proposed to be appointed/ re-appointed, nature of their expertise in specific functional areas and names of companies in which they hold directorship and membership / chairmanship

of the Board/ Committees, as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges in India, are provided in the Report on Corporate Governance forming part of the Annual Report.

STATUTORY DISCLOSURE:

None of the Directors of your Company is disqualified as per provision of section 274(1)(g) of the Companies Act, 1956. The Directors of the Company have made necessary disclosures, as required under various provisions of the Act and Clause 49 of the Listing Agreement.

AUDITORS:

The Statutory Auditors of the Company, Suresh & Associates, Chartered Accountants, retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The Company has received a letter from Suresh & Associates to the effect that their re-appointment, if made at the ensuing Annual General Meeting, would be within the limits prescribed under Section 224(1B) of the Companies Act, 1956 and they are not disqualified for such re-appointment within the meaning of Section 226 of the said Act.

AUDITORS' REPORT:

The observation made by the Auditors with reference to notes on accounts for the year ended 31st March 2012 are self explanatory and therefore do not call for any further comments under section 217(3) of the Companies Act, 1956.

PARTICULARS OF EMPLOYEES:

In terms of the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975, as amended, there is no employee in the Company who falls under the criteria set out in the Section 217(2A) and whose particulars forms part of this report.

DIRECTORS' RESPONSIBILITY STATEMENT:

As required under section 217(2AA) of the Companies Act, 1956 the Directors hereby confirm that:

1. in the preparation of the Annual Accounts for the period ended as on 31st March 2012, the applicable Accounting Standards had been followed along with proper explanation relating to material departures;
2. the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the company for that period;
3. the Directors had taken proper and sufficient care 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;
4. the Directors had prepared the annual accounts on a going concern basis.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO:

Information in accordance with the provisions of Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 regarding conservation of energy, technology absorption and foreign exchange earnings and outgo is given below:

A. CONSERVATION OF ENERGY:

The operations of your Company are not energy intensive. However, wherever possible your company strives to curtail the consumption of energy on a continued basis by using energy-efficient equipment.

As energy costs comprise a very small part of your Company's total expenses, the financial implications of these measures are not material.

B. TECHNOLOGY ABSORPTION

The particulars regarding absorption of technology is given below as per Form B of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988:

Research and Development (R & D):

(1) Specific areas in which R & D is carried out by the Company:

Manufacture of fashion garments as per Indian and international trends and standards are the areas in which general research and development work pertaining to the manufacturing process is carried out by the Company.

(2) Benefits derived as a results of the above R&D:

Product improvement.

(3) Future Plan of Action:

Appropriate actions are being planned.

(4) Expenditure on R&D:

(a) Capital:

(b) Recurring: } Amount incurred though not material but included in manufacturing cost.

(c) Total:

(d) Total R&D expenditure as a percentage of total turnover

Technology Absorption, Adaptation and Innovation :

(1) Efforts in brief made towards technology absorption, adaptation and innovation:

The Company is monitoring the technological upgradation taking place in other countries in the field of garment manufacturing and the same are being reviewed for implementation.

(2) Benefit derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution etc.

Product Improvement.

(3) In case of imported Technology (Imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished:

(a)	Technology Imported:	}
(b)	Year of Import	}
(c)	Has technology been fully absorbed	} NIL
(d)	If not fully absorbed, areas where this has not taken	}
	Place, reasons therefore and future plans of actions:	}

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

Foreign Exchange Earning and outgo :

a)	Imports on CIF basis	NIL
b)	Expenditure in Foreign Currency (Foreign traveling Directors)	NIL
c)	Earning in Foreign Currency	NIL

Initiatives taken to increase Exports:

The Company mainly deals in domestic market and has NIL sales on account of exports during the Financial Year 2011-12. Hence details regarding followings are not applicable:

1) Activities relating to exports

2) Development of new export markets for products and services

3) Export Plan

ACKNOWLDEGEMENT

Your Directors would like to express their grateful appreciation for the assistance and co-operation received from Banks, Government Authorities and shareholders during the year under review. Your Directors wish to place on record their deep sense of appreciation for the devoted services of the executives, staff and workers of the Company for its success.

By Order of the Board

For **Cantabil Retail India Limited**

Sd/-

Date : 8th August 2012
Place : New Delhi

VIJAY BANSAL
Chairman

MANAGEMENT DISCUSSION & ANALYSIS

GLOBAL ECONOMY:

The global economic environment, which was weak at best through the early part of 2011, turned adverse after Sept-Oct. 2011. The global recovery was threatened by developments happening in the euro area and fragilities elsewhere. The global GDP grew 3.8% in 2011, significantly lower than the 5.2% growth in 2010.

Capital flows to developing countries in 2011 declined considerably as compared to inflows of the previous year. Growth in U.S. is hardly emerging and E.U. seemed to have entered recession, while growth in several major developing countries like Brazil, India, and to some extent Russia, South Africa and Turkey has slowed, in reaction to domestic policy tightening. As a result the general economic growth and world trade slowed sharply.

INDIAN ECONOMY:

In 2011-12, India found itself in the heart of these conflicting demands namely balancing growth and price stability without adequate innovative autonomy in policy making to sustain economic growth. As a result, Indian economic growth declined to 6.5% in 2011-12 from 8.4% in 2010-11. Despite low growth, India remains one of the fastest-growing global economies, as all major countries including the fast-growing emerging economies witnessed a significant slowdown. The economic slowdown seems to be there due to two critical factors:

- euro zone area crisis and near-recessionary conditions prevailing in Europe; sluggish growth in many other industrialised countries, like the US; stagnation in Japan;
- tightening of monetary policy, inflationary pricing trends in food and non-food categories, slowed down investment and growth, particularly in the industrial sector.

INDIAN READY MADE APPAREL MARKET - AN OVERVIEW

After the turmoil of 2011, the biggest challenges facing the global apparel industry in 2012 continue to include rising costs, political and economic uncertainty, increased competition at retail, pressure to integrate supply chains and the shift towards faster fashion cycles. Against such a background, the ability to quickly adapt to changing conditions and pressures will separate the winners from the losers.

As our industry is based on change and is global in nature, the rising costs of labour, raw materials, issues of sustainability, and the uncertainty around sourcing are all challenging it and forcing it to evolve.

Given the global nature of the industry, an issue affecting one part of the world can greatly affect the sentiments in another part of the world. The changing role of Asia, particularly in China and India, as the primary producer of apparel and footwear, is a driving force behind this change. With its growing middle class, these two countries are beginning to shift from an export-based economy to a domestic consumption economy. Comparing to the international readymade garment market, the Indian readymade garment

market is still in a growing phase. Due to the higher the introduction cost of brand in India for the foreign players, domestic players have somewhat less fear of any outside competition.

THE CHALLENGES

Brands and retailers are feeling increased pressures; they're being squeezed tightly by rising costs of goods and uncertain consumer demands, Raw material and component prices, production and labour costs, excise duty and much higher logistic costs have been fluctuating as much as the economic outlook. Consumer confidence has impacted their spending habits in this recession and they expect better "deals" every time they buy.

FUTURE OUTLOOK

In India, apparel industry seems to have not come out of its worst but still expectations hereon are showing some signs of growth. It is noticed that foreign buyers are keen on dealing with Indian garment exporters/ traders/retailers for various business options. In the face of such demand, Indian garment manufacturers and exporters constantly have to maintain high quality in finished products and continuously provide innovations in style & design to attract the attention of prospective buyers.

The growth in the Indian Garment Industry has come due to the rise in the earning levels, changing consumption patterns, higher consumption level of the consumer in urban and semi urban cities. There is a strong base for the production of raw materials and there is a huge labour base in the market - both skilled and unskilled, which are still available at cheaper price than other markets. This helps in the growth of the industry

FDI: IN INDIA

India's young population, higher disposal income, and up gradation in living standards, coupled with growing consumer demand, have made the country an emerging consumption story and an attractive destination for FDI. Due to inaction on the part of Government to bring down the reforms and clearance of pending bills with it, the confidence of Indian businessmen and investors is low at the moment, the liberalization of the FDI policy will act as a life-saving drug that will provide a big boost to the retail industry. FDI in retail has the potential to bring into India foreign capital, technology, and managerial expertise of big international retailers. It can develop an efficient linkage between the back-end supply chain and the front-end via capital investment and technological inputs.

REVIEW PERFORMANCE

Cantabil remains extremely buoyant and optimistic about the future of apparel retail in India. The company's mission is to provide not only a good clothing but also a complete fashion guide which suggests what to wear, when to wear and where to wear. Cantabil is aimed at the middle class customer and everyone who wants premium clothing at best prices, our brand is the good choice.

Cantabil now is in the process of reorganizing itself and in this process non-profitable outlets have been shutdown. Total number of company's exclusive stores has been downsized by 103 stores in the last financial Year and has stopped its further expansion for the time being, Kids wear is also squeezed down to some extent. The not so remunerative men's wear brand "Lafanso" which saw severe losses last year has had all of its stores shut and the brand is discontinued.

The company has introduced new brand "KANESTON" for undergarments for men and will be sold through Cantabil stores across India. Kaneston has premium products made of fine count in 100 per cent cotton.

OPPORTUNITIES AND THREATS.

Opportunities:

- Once the business climate improves, the Company proposes to have its retail outlets in the Tier II Cities so that it can increase its presence across India.
- Enhancing the role of value addition and innovation in apparel designing
- Looking at the new avenues of collaboration with foreign brands.
- To explore the Real estate business opportunities emerging in tough time in the industry
- To enter into new segment of undergarments
- Lower competition due to the elimination of all other players in the market under discount format.
- E-commerce

Threats:

Fluctuation in Rupee value

The steep fall & volatile fluctuation in rupee value posses a big threat to general business environment.

State of Recession in the economy

The apparel industry has got severely hit during recession because of less liquidity in the market.

Competition from global players

The major brands from all over the world are giving tough competition to India.

Internal Control System and their adequacy:

The Company has adequate internal control procedures commensurate with the size and nature of the business. The internal control system is supplemented by extensive internal audits, regular reviews by the management and well-documented policies and guidelines to ensure reliability of financial and all other records and to prepare financial statements and other data. Moreover, the Company continuously upgrades these systems in line with the best accounting practices. The Company has independent audit systems to monitor the entire operations and the Audit Committee of the Board reviews the findings and recommendations of the internal auditors.

It is ensured that all assets are safeguarded and protected against any loss from unauthorized use or disposition and that transaction are authorized, recorded and reported correctly, to keep constant check on the cost structures and to prevent revenue leakages. Our internal team, external auditors and the management together periodically reviews the systems along with the Audit Committee of the Board on a regular basis. The Company is continuously upgrading its internal control systems by measuring state of controls at various locations.

Financial Performance:

Total Income

The Company achieved total revenues of Rs. 159.64 Crores, against last year's Rs. 186.56 Crores which translates to de-growth of approx 14.43%. This is majorly due to closing of 103 nos of retail outlets during the financial year, overall decline in the business among major apparel categories in the market, reflects declining consumer confidence following some part of world economies going in recessionary and economic downturn.

Due to major decline in sales, the company faced losses because of the growing raw material cost, new additional excise levy, higher carrying costs and rising promotional costs at the retail level. Though the present time seems to be a passing time but the company is now much lean and well structured and organized than before and is confident to pass these tough times with much ease. Let the business environment start improving the company is confident of coming out with flying colours.

Material Developments in Human Resources:

The Company regards its human resources as amongst its most valuable assets and proactively reviews policies and processes by creating a work environment that encourages initiative, provides challenges and opportunities and recognizes the performance and potential of its employees attracting and retaining the best manpower available by providing high degree of motivation, training and structured compensation was the main thrust of the Human Resources Department this year.

The total number of employees of the Company as on March 31, 2012 stood at 995.

Cautionary Statement:

This report may contain forward-looking statements based on certain assumptions and expectations of future events. Actual performance, results or achievements may differ from those expressed or implied in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.

CORPORATE GOVERNANCE REPORT FOR THE YEAR 2011-12

(as required under Clause 49 of the Listing Agreement entered into with the Stock Exchanges)

CORPORATE GOVERNANCE:

Corporate Governance refers broadly to the rules, processes, or laws by which businesses are operated, regulated and controlled. A well defined and enforced corporate governance provides a structure that works for the benefit of everyone concerned by ensuring that the enterprises adheres to accepted ethical standards and best practices as well as to formal laws. Governance practices may vary but the principles are generic and universal, viz commitment of the Board in managing business ethically and in a transparent manner with the profit objective balanced by long term value equitability for all stakeholders.

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's Philosophy on Corporate Governance envisages the attainment of the high level of transparency and accountability in the functioning of the Company and the conduct of its business internally and externally, including its inter-action with employees, shareholders, deposit-holders, creditors, consumers, institutional and other lenders and places due emphasis on regular compliance.

We aim at providing fairness, clarity and transparency in all our dealings and increasing the value of all stakeholders of the Company.

BOARD OF DIRECTORS

Composition of Board

The Board of the Company is in conformity with Clause 49 of the Listing Agreement. The Board has been constituted in such a way that it has understanding and competence to deal with current and emerging business issues and also ensuring Directors' commitment to participate in the affairs of the business of the Company.

The Board of Directors of Cantabil Retail India Limited has an optimum combination of Executive and Non-executive directors. As on March 31, 2012, the number of other directorships/committee memberships held by them of the Company is as under:

Name the Directors	Director Identification Number (DIN)	Designation	Category	No. of other Directorships*	Committee Positions held**	
					Chairman	Member
Mr. Vijay Bansal	01110877	Chairman cum Managing Director	Promoter & Executive	Nil	0	2
Mr. Deepak Bansal	01111104	Whole Time Director	Promoter & Executive	Nil	Nil	Nil
Mr. Anil Bansal	02443104	Whole Time Director	Executive	Nil	0	1
Mr. Lalit Kumar	00025150	Director	Non-Executive/ Independent	1	0	1
Dr. Arun Kumar Roopanwal	00406817	Director	Non-Executive/ Independent	Nil	0	0
Mr. Brij Mohan Aggarwal	00157253	Director	Non-Executive/ Independent	Nil	2	0

* Other Directorships of only Indian Public Limited Companies have been considered.

** Committee positions of only 2 Committees namely Audit Committee and Shareholders' Grievance Committee have been considered.

None of the Directors on the Board is a member of more than 10 Committees or Chairman of more than 5 Committees (as specified in clause 49 of the Listing Agreement) across all Public Limited Companies in which he/she is a Director and necessary disclosures regarding committee positions in other Public Companies as on 31st March, 2012 have been made by the directors.

The Independence of a Director is determined by the criteria stipulated under the Clause 49 of the Listing Agreement.

Number of Board Meetings held and dates thereof

The meetings of the Board of Directors are scheduled well in advance. The Board Members are presented on scheduled time with the detailed agenda in respect of all Board meetings. During the year under review four meetings of the Board of Directors were held. The meetings were held on 13th May 2011, 12th August 2011, 11th November 2011, 7th February 2012.

The Intervening periods between the Board Meetings were within the maximum time gap prescribed under Companies Act, 1956 and Clause 49 of Listing Agreement.

The attendance record of each of the directors at the Board Meetings during the year ended 31st March 2012 and of the last Annual General Meeting are as under:

Name Directors	No. of Board Meetings attended	Last Annual General Meeting held on 30.09.2011, Whether Present
Mr. Vijay Bansal	4	Yes
Mr. Deepak Bansal	4	Yes
Mr. Anil Bansal	4	Yes
Mr. Lalit Kumar	4	Yes
Dr. Arun Kumar Roopanwal	4	Yes
Mr. Brij Mohan Aggarwal	4	Yes

Information supplied to the Board

During the year, all the relevant information required to be placed before the Board of Directors as per Clause 49 of the Listing Agreement were considered and taken on record/approved by the Board. Further, the Board periodically reviews Compliance Reports in respect of laws and regulations applicable to the Company.

Code of Conduct

The Board of Directors of the Company has approved and adopted a Code of Conduct for the members of the Board and Senior Management of the Company. The Code of Conduct is posted on the website of the Company and members of the Board and senior management have accepted and affirmed the annual compliance of the Code.

Details of shares held in the Company as on March 31, 2012

Name of Directors	Designation	Number of Shares Held
Mr. Vijay Bansal	Chairman and Managing Director	47,75,947
Mr. Deepak Bansal	Whole Time Director	11,16,960
Mr. Anil Bansal	Whole Time Director	160
Mr. Lalit Kumar	Non-Executive/ Independent Director	Nil
Mr. Arun Kumar Roopanwal	Non-Executive/ Independent Director	Nil
Mr. Brij Mohan Aggarwal	Non-Executive/ Independent Director	Nil

COMMITTEES OF BOARD

Your Board has presently constituted three Board Level Committees – Audit Committee, Remuneration Committee and Shareholders'/Investors' Grievance Committee.

All decisions pertaining to the constitution of Board Committees, appointment(s) of members and fixation of terms of service for members of Committees is taken by the Board of Directors.

Details of the role and composition of Board Committees constituted as per requirements of Clause 49 of the Listing Agreement, including number of meetings held during the financial year and attendance thereat are provided hereinafter.

AUDIT COMMITTEE

Constitution of Audit Committee:

The composition of Audit Committee meets the requirements Section 292A of the companies Act, 1956 and Clause 49 of the Listing Agreement. The Audit Committee was constituted on 11th September 2009, thereafter it was re-constituted on 15th January 2011 respectively in accordance with Clause 49 of the Listing agreement, consisting of two non-executive, independent directors and one executive director.

The Audit Committee will ensure the objectivity, credibility and correctness of the Company's financial reporting and disclosures processes, internal controls, tax policies, compliances and legal requirements and associated matters.

The Committee consists as on 31st March, 2012 are as under:

Name of Member	Designation	Category
Mr. Brij Mohan Aggarwal	Chairman	Independent, Non-Executive Director
Mr. Lalit Kumar	Member	Independent, Non-Executive Director
Mr. Vijay Bansal	Member	Chairman cum Managing Director

Ms. Poonam Chahal, Company Secretary acts as the Secretary to the Committee.

All the members of the Audit Committee are financially literate and possess financial/accounting expertise.

Meetings and Attendance of Audit Committee:

During the financial year ended 31st March 2012, four Audit Committee Meetings were held. The meetings were held on 13th May 2011, 12th August 2011, 11th November 2011, 7th February 2012. The attendance of each Audit Committee member is given hereunder:

Name of Member	Designation	Number of meetings held	Number of meetings attended
Mr. Brij Mohan Aggarwal	Chairman	4	4
Mr. Lalit Kumar	Member	4	4
Mr. Vijay Bansal	Member	4	4

REMUNERATION COMMITTEE

The Remuneration Committee, constitution of which is a non-mandatory requirement, was constituted to recommend/review the remuneration package of the Managing/Whole Time Director(s).

Composition of Remuneration Committee:

The Remuneration Committee was constituted on September 11, 2009, thereafter it was re-constituted on 13th May 2011, comprising three Directors, all of which are Independent. The Committee consists of the following:

Name of Member	Designation	Category
Mr. Brij Mohan Aggarwal	Chairman	Independent, Non-Executive Director
Dr. Arun Kumar Roopanwal	Member	Independent, Non-Executive Director
Mr. Lalit Kumar	Member	Independent, Non-Executive Director

Ms. Poonam Chahal, Company Secretary acts as the Secretary to the Committee.

Meetings and Attendance of Remuneration Committee:

During the financial year ended 31st March 2012, two meeting of the Remuneration Committee were held on 13th May 2011, 12th August 2011. The attendance of each Remuneration Committee members are given hereunder:

Name of the Remuneration Committee Member	No. of Meeting held	No. of meetings attended
Mr. Brij Mohan Aggarwal	2	2
Dr. Arun Kumar Roopanwal	2	2
Mr. Lalit Kumar	2	2

The Remuneration was paid to Managing/Whole-time Directors in the form of Salary and Perquisites. The Company had paid sitting fee to Non- Executive Directors @ Rs. 20,000/- for each meeting of the Board.

Details of Remuneration paid to all the Directors for the year:

a) Executive Directors (Managing / Whole-time Directors)

The aggregate value of salary and perquisites paid for the year ended March 31, 2012 to Managing / Whole-time Directors are as follows:

Name of the Director	Designation	Aggregate Value of Salary & Perquisites (Rs.)
Mr. Vijay Bansal	Chairman and Managing Director	24,36,400/-
Mr. Deepak Bansal	Whole-time Director	22,85,395/-
Mr. Anil Bansal	Whole-time Director	3,60,000/-

b) Non-Executive Directors

The Company has not paid any remuneration to Non-Executive Independent Directors except sitting fees for attending meetings of the Board of Directors. The details of sitting fees paid to Non-Executive Independent Directors during the financial year 2011-2012 are as under:

Name of the Director	Designation	Total sitting fee paid (Rs.)
Mr. Brij Mohan Aggarwal	Non Executive Independent Director	80,000/-
Dr. Arun Kumar Roopanwal	Non Executive Independent Director	80,000/-
Mr. Lalit Kumar	Non Executive Independent Director	80,000/-

1. The Company does not have any Stock Option Scheme or performance-linked incentives for the Directors.
2. The appointment of all the directors are made at the Board Meetings and approved at General Meetings, where required. There are no provisions for notice period and severance fees for the directors.

SHAREHOLDERS' GRIEVANCE REDRESSAL COMMITTEE

The terms of reference of Shareholders' Grievance Redressal Committee are to specifically look into the redressal of shareholders and investors complaints like non receipt of refund warrants, non-credit of shares in Demat Account, non-receipt of balance sheet, non-receipt of declared dividends etc.; Review of all matters connected with the transfer of securities of the Company; Review of performance of the registrars and transfer agents of the Company; Review of the measures recommended for overall improvement in the quality of investors services etc. The Committee also monitors implementation and compliance of the Company's Code of Conduct for Prohibition of Insider Trading in pursuance of SEBI (Prohibition of Insider Trading) Regulations, 1992.

As part of its Corporate Governance initiative, the Board has constituted the Shareholders' Grievance Redressal Committee on September 11, 2009 comprising 3 members, Chairman being Non-Executive Independent Director.

Composition of Committee:

The Shareholders' Grievance Redressal Committee was constituted on September 11, 2009. The Committee consists of the following:

Name of Member	Position held	Category
Mr. Brij Mohan Aggarwal	Chairman	Independent, Non-Executive Director
Mr. Vijay Bansal	Member	Chairman & Managing Director
Mr. Anil Bansal	Member	Whole Time Director

Meetings and Attendance:

During the financial year ended 31st March, 2012, twelve Shareholders' Grievance Redressal Committee meetings were held on 18th April 2011, 27th April 2011, 18th May 2011, 23rd May 2011, 10th June 2011, 20th June 2011, 11th July 2011, 25th July, 2011, 10th November 2011, 31st January 2012, 7th February 2012, 29th February 2012. The attendance of members are given hereunder:

Name of the	No. of Meeting held	No. of meetings attended
Mr. Brij Mohan Aggarwal	12	12
Mr. Vijay Bansal	12	12
Mr. Anil Bansal	12	12

Compliance Officer:

The Board had designated Ms. Poonam Chahal, Company Secretary cum Head – Legal, as the Compliance Officer.

Address : B- 47, First Floor, Lawrence Road Industrial Area, Delhi - 110 035

Phone : +91-11-27156381

Fax : +91-11-27156383

Details of the Queries/Complaints received and resolved by the Company during the year:

All the Complaints received through the Shareholders were resolved in time. There were no pending complaints at the end of the financial year.

GENERAL BODY MEETINGS

Location, date and time where the three immediately preceding Annual General Meetings of the Company were held are given below:

Financial Year	Day and Date	Time	Venue	Any Special Resolutions Passed
2008-2009	Wednesday, September 09, 2009	11.00 A.M	B- 47, First Floor, Lawrence Road Industrial Area, Delhi - 110 035	Yes
2009-2010	Saturday, August 21, 2010	11.00 A.M	B- 47, First Floor, Lawrence Road Industrial Area, Delhi - 110 035	No
2010-2011	Friday September 30, 2011	9:00 A.M	Tivoli Garden Resort Hotel, Chhattarpur Hills, Mehrauli, New Delhi – 110064	Yes

Postal Ballot

The Company had successfully completed the process of obtaining the approval of its members through Postal Ballot as per provisions of Section 192A of the Companies Act, 1956, during the year. The approval of members obtained through postal ballot was pertaining to:-

(i) Extension of the time for attainment of the IPO objects and reallocation of unutilized amount allocated specifically for expansion of Retail Network to debt repayment .

The results for all the above matter was announced on 9th January, 2012.

Voting Pattern and Procedure for Postal Ballot:

(i) The Board of Directors of the Company had its meeting held on 11th November, 2011 appointed Mr. Sanjay Grover, Practicing Company Secretary, as the Scrutiniser for conducting the postal ballot voting process.

(ii) Process for the Postal Ballot was carried out in a fair and transparent manner. The postal Ballot forms had been kept under the safe custody of Scruitnizser in a sealed and tamper proof postal ballot boxes before commencing the scrutiny of such postal ballot forms;

(iii) All postal forms received/receivable up to the close working hours of 5th January, 2012, the last date and time fixed by the Company for the receipt of the forms in the postal ballot, had been considered by Scruitinizer in his scrutiny;

(iv) Envelopes containing postal ballot forms received after 5th January, 2012 for the postal ballot had not been considered for his scrutiny;

(v) The result of the Postal Ballot were announced on 9th January, 2012 at the Registered Office of the Company as per scrutinizer's Report are as under:

Particulars	In favour			Against			Invalid			Total No. of Votes
	No. of Postal Ballot	No. of Votes in Fovour	%	No. of Postal Ballot	No. of Votes against	%	No. of Postal Ballot	No. of Shares	%	
Resolution no. 1	72	9470554	99.986	6	1298	0.014	9	3979	0.024	9475831

DISCLOSURES

Related Party Transactions

In Compliance with the clause 41 (IV)(A) of the Listing Agreement, there were no transactions of material nature with the directors or the management or their subsidiaries or relatives that had potential conflict with the interest of the Company. Further, details of related party transactions are presented disclosed in the Notes of Accounts of the Annual Accounts for the financial year 2011-2012.

The Company has complied with the requirements of the Stock Exchanges/SEBI/ and other Statutory Authorities on all matters related to Capital Markets since the date of Listing. No penalties or stricture have been imposed on the Company by the Stock Exchange or SEBI or any Statutory Authorities.

Disclosure made by the senior managerial personnel to the Board

During the year, no material transaction has been entered into by the Company with the senior management personnel where they had or were deemed to have had personal interest that may have potential conflict with the interest of the Company.

Disclosures of Accounting Treatment in preparation of financial statements

In the preparation of the financial statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI) to the extent applicable.

Management Discussion and Analysis Report

The Report on Management's Discussion and Analysis is given separately and forms part of this Report.

Compliances by the Company

The Board of Directors periodically reviews the compliance reports of the laws applicable to the Company and the Company initiates requisite action for strengthening of its statutory compliance procedures, as may be suggested by the Board from time to time.

The Company has complied with various rules and regulations prescribed by the stock exchanges, Securities and Exchange Board of India (SEBI) and other statutory authorities on all matters relating to capital markets, and no penalties or strictures have been imposed on the Company in this regards during the last three years.

Whistle-Blower Policy

The Company has not adopted any Whistle Blower Policy. However, no personnel have been denied access to the Audit Committee.

The Company has complied with mandatory requirements and has constituted a Remuneration Committee for the non-mandatory requirements.

Means of Communication

The un-audited quarterly financial results are announced within 45 days of the end of the quarter as stipulated under Clause 41 of the Listing Agreement. The aforesaid financial results after being reviewed by the Audit Committee and approved by the Board of Directors are communicated to the concerned Stock Exchanges by way of fax and hard copy.

The said results are normally published within 48 hours in one English National daily and one Hindi daily circulated in Delhi, being the place where registered office of the Company is situated. The Newspapers in which the results are generally published are “Business Standard”, “Financial Express” and “Jansatta”.

The Company’s website www.cantabilinternational.com contains a separate dedicated section “investors relations” where shareholders information is available. Full Annual Reports are also available on the website in a user-friendly and downloadable form.

The Annual Report of the Company containing, inter-alia, Directors’ Report, Auditors’ Report, Audited Annual accounts and other important information is circulated to members and others entitled thereto. The Managements’ discussion and Analysis Report forms part of the Annual Report.

The Corporate Filing and Dissemination System (CFDS) portal jointly owned, managed and maintained by BSE and NSE is a single source to view information filed by Listed Companies.

GENERAL SHAREHOLDER INFORMATION

24th Annual General Meeting

Date	:	29th September 2012
Time	:	9:00 A.M.
Venue	:	Tivoli Garden Resort Hotel, Chhattar Pur Hills, Mehrauli, New Delhi - 110064
Financial Year	:	April 1, 2011 to March 31, 2012
Date of Book Closure	:	September 21, 2012 to September 29, 2012 (both days inclusive) for the purpose of 24th Annual General Meeting
Website address	:	www.cantabilinternational.com

Listing on Stock Exchanges	:	Bombay Stock Exchange Limited (BSE), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001
	:	National Stock Exchange of India Limited (NSE) Exchange Plaza, Bandra - Kurla Complex Bandra (E), Mumbai – 400 051
Stock Code/Symbol	:	NSE – CANTABIL BSE – 533267
ISIN No.	:	INE068L01016

Market Price Data

The monthly high & low quotations of the company's shares traded on Bombay Stock Exchange Limited and the National Stock Exchange of India Limited during the financial year 2011-2012 in comparison to broad based indices are as under:

i) CANTABIL vs. SENSEX

	CANTABIL at BSE		SENSEX	
Month	**High**	**Low**	**High**	**Low**
April 2011	48.70	38.50	19,811.14	18,976.19
May 2011	40.00	35.70	19,253.87	17,786.13
June 2011	38.40	30.05	18,873.39	17,314.38
July 2011	34.55	30.50	19,131.70	18,131.86
August 2011	31.35	25.55	18,440.07	15,765.53
September 2011	29.00	26.00	17,211.80	15,801.01
October 2011	27.80	23.25	17,908.13	15,745.43
November 2011	24.75	16.80	17,702.26	15,478.69
December 2011	17.35	12.00	17,003.71	15,135.86
January 2012	19.40	14.00	17,258.97	15,358.02
February 2012	26.00	16.50	18,523.78	17,061.55
March 2012	21.15	16.25	18,040.69	16,920.61

ii) CANTABIL vs. NIFTY

	CANTABIL at NSE		NIFTY	
Month	**High**	**Low**	**High**	**Low**
April 2011	48.90	38.05	5944.45	5693.25
May 2011	40.15	35.55	5775.25	5328.70
June 2011	38.40	30.00	5657.90	5252.25
July 2011	34.75	27.25	5740.40	5453.95
August 2011	31.00	26.00	5551.90	4720.00
September 2011	27.80	26.15	5169.25	4758.85
October 2011	26.95	23.05	5399.70	4728.30
November 2011	24.45	16.70	5326.45	4639.10
December 2011	17.40	14.00	5099.25	4531.15
January 2012	18.95	14.15	5215.40	4588.05
February 2012	25.35	17.20	5629.95	5159.00
March 2012	21.10	16.35	5499.40	5135.95

Registrar and Transfer Agents

The detail of Registrar & Transfer Agent appointed by the Company is as under:

M/s. Beetal Financial & Computer Services (P) Ltd
Beetal House, 3rd Floor,
99, Madangir Behind Local
Shopping Centre,
New Delhi - 110 062
Tel: 011-29961281
Fax: 011-29961284
E-mail: beetal@beetalfinancial.com

Share Transfer System

The Company's Shares are traded compulsorily in demat mode. Shares in physical mode which are lodged for transfer, if any, are processed and returned to the shareholders within 15-20 days from the date of receipt, subject to the documents being valid and complete in all respects.

The Company obtains half-yearly Certificate of Compliance in respect of the Share Transfer formalities as required under clause 47C of the Listing Agreement executed with the Stock Exchanges and files a copy of the same with the Stock Exchanges.

Distribution Pattern of Shareholding of the Company as on 31st March 2012;

Shareholding Pattern As on 31st March, 2012			
Partly paid-up shares	No. of partly paid-up shares	As a % of total no. of partly paid-up shares	As a % of total no. of shares of the company
Held by promoter/promoter group	0	0	0
held by public	0	0	0
Total	**0**	**0**	**0**
Outstanding convertible securities	No. of outstanding securities	As a % of total no. of outstanding convertible securities	As a % of total no. of shares of the company assuming full conversion of the convertible securities
Held by promoter/promoter group	0	0	0
held by public	0	0	0
Total	0	0	0
Warrants	No. of warrant	As a % of total no. of warrants	As a % of total no. of shares of the company assuming full conversion of warrants
Held by promoter/promoter group	0	0	0
held by public	0	0	0
Total	**0**	**0**	**0**
Total Paid-up capital of the company assuming full conversion of warrants and convertible securities	**16327608**	**N.A**	**100**

Category of Shareholder	No. of Shareholders	Total No. of Shares	Total No. of Shares held in Dematerialized Form	Total Shareholding as a % of Total No. of Shares		Shares pledged or otherwise encumbered	
				As a % of (A+B)	As a % of (A+B+C)	Number of shares	As a % of Total No. of Shares
(A) Shareholding of Promoter and Promoter Group							
(1) Indian							
Individuals / Hindu Undivided Family	5	8549510	8435510	52.36	52.36	0	0
Sub Total	**5**	**8549510**	**8435510**	**52.36**	**52.36**	**0**	**0**
(2) Foreign							
Total shareholding of Promoter and Promoter Group (A)	**5**	**8549510**	**8435510**	**52.36**	**52.36**	**0**	**0**
(1) Institutions							
Financial Institutions / Banks	5	1499843	1499843	9.19	9.19	0	0
Sub Total	5	1499843	1499843	9.19	9.19	0	0

Category of Shareholder	No. of Shareholders	Total No. of Shares	Total No. of Shares held in Dematerialized Form	Total Shareholding as a % of Total No. of Shares		Shares pledged or otherwise encumbered	
				As a % of (A+B)	As a % of (A+B+C)	Number of shares	As a % of Total No. of Shares
(2) Non-Institutions							
Bodies Corporate	326	2559017	2559017	15.67	15.67	9875	0.39
Individuals							
Individual shareholders holding nominal share capital up to Rs. 1 lakh	13025	2610360	2609319	15.99	15.99	1022	0.04
Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	21	659228	659228	4.04	4.04	0	0
Any Others (Specify)	**645**	**449650**	**449650**	**2.75**	**2.75**	**0**	**0**
Non Resident Indians	139	89043	89043	0.55	0.55	0	0
Clearing Members	20	12148	12148	0.07	0.07	0	0
Hindu Undivided Families	486	348459	348459	2.13	2.13	0	0
Sub Total	**14017**	**6278255**	**6277214**	**38.45**	**38.45**	**10897**	**0.17**
Total Public shareholding (B)	**14022**	**7778098**	**7777057**	**47.64**	**47.64**	**10897**	**0.14**
Total (A)+(B)	**14027**	**16327608**	**16212567**	**100**	**100**	**0**	**0**
(C) Shares held by Custodians and against which Depository Receipts have been issued	**0**	**0**	**0**	**0**	**0**	**0**	**0**
(1) Promoter and Promoter Group	**0**	**0**	**0**	**0**	**0**	**0**	**0**
(2) Public	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Sub Total	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Total (A)+(B)+(C)	**14027**	**16327608**	**16212567**	**0**	**100**	**10897**	**0.07**

Shareholding of securities (including shares, warrants, convertible securities) of persons belonging to the category Promoter and Promoter Group											
Sl. No.	**Name of the Shareholder**	**Details of Shares held**		**Encumbered shares (*)**			**Details of warrants**		**Details of convertible securities**		**Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital**
		No. of Shares held	**As a % of grand total (A)+(B)+(C)**	**No**	**As a percentage**	**As a % of grand total (A)+(B)+(C) of sub-clause (I)(a)**	**Number of warrants held**	**As a % total number of warrants of the same class**	**Number of convertible securities held**	**As a % total number of convertible securities of the same class**	
1	Swati Gupta	160	0	0	0	0	0	0	0	0	0
2	Vijay Bansal HUF	1,13,840	0.7	0	0	0	0	0	0	0	0
3	Deepak Bansal	11,16,960	6.84	0	0	0	0	0	0	0	0
4	Sushila Bansal	25,42,603	15.57	0	0	0	0	0	0	0	0
5	Vijay Bansal	47,75,947	29.25	0	0	0	0	0	0	0	0
	Total	**85,49,510**	**52.36**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

(*) The term encumbrance has the same meaning as assigned to it in regulation 28(3) of the SAST Regulations, 2011.

Shareholding of securities (including shares, warrants, convertible securities) of persons belonging to the category Public and holding more than 1% of the total number of shares								
Sl. No.	**Name of the Shareholder**	**No. of Shares held**	**Shares as % of Total No. of Shares**	**Details of warrants**		**Details of convertible securities**		**Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital**
				Number of warrants held	**As a % total number of warrants of the same class**	**Number of convertible securities held**	**% w.r.t total number of convertible securities of the same class**	
1	Punjab National Bank	1083748	6.64	0	0	0	0	0
2	Arch Finance Ltd	402000	2.46	0	0	0	0	0
3	J G Securities Pvt. Ltd	350000	2.14	0	0	0	0	0
4	Religare Finvest Ltd	283500	1.74	0	0	0	0	0
5	Vaishalli Arya	279753	1.71	0	0	0	0	0
6	Felex Enterprises Pvt. Ltd	230000	1.41	0	0	0	0	0
7	Bank of Baroda	260074	1.59	0	0	0	0	0
	Total	**2889075**	**17.69**	**0**	**0**	**0**	**0**	**0**

Shareholding of securities (including shares, warrants, convertible securities) of persons (together with PAC) belonging to the category "Public" and holding more than 5% of the total number of shares of the company								
Sl. No.	Name(s) of the shareholder(s) and the Persons Acting in Concert (PAC) with them	No. of Shares	Shares as % of Total No. of Shares	Details of warrants		Details of convertible securities		Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital
				Number of warrants	As a % total number of warrants of the same class	Number of convertible securities held	% w.r.t total number of convertible securities of the same class	
1	Punjab National Bank	1083748	6.64	0	0	0	0	0
	Total	**1083748**	**6.64**	**0**	**0**	**0**	**0**	**0**

Details of Locked-in Shares			
Sl. No.	Name of the Shareholder	No. of Shares	Locked-in Shares as % of Total No. of Shares
1	Vijay Bansal	27,08,850	16.59
2	Deepak Bansal	5,66,150	3.47
	Total	**32,75,000**	**20.06**

Details of Depository Receipts (DRs)				
Sl. No.	Type of Outstanding DR (ADRs, GDRs, SDRs, etc.)	No. of Outstanding DRs	No. of Shares Underlying Outstanding DRs	Shares Underlying Outstanding DRs as % of Total No. of Shares
1	Nil	0	0	0
	Total	**0**	**0**	**0**

Holding of Depository Receipts (DRs), where underlying shares held by 'promoter / promoter group' are in excess of 1% of the total number of shares.				
Sl. No.	Name of the DR Holder	Type of Outstanding DR (ADRs, GDRs, SDRs, etc.)	No. of Shares underlying outstanding DRs	Shares Underlying Outstanding DRs as a % of Total No. of Shares
1	Nil	Nil		0
	Total			0

Dematerialisation of Shares and Liquidity

The shares of the company are compulsorily traded in dematerialized form and are available for trading under both the Depository Systems – NSDL (National Securities Depository Limited) and CDSL (Central Depository Services (India) Limited). Equity Shares of the Company representing 99.295% were in dematerialized form as on March 31, 2012.

Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, conversion date and likely impact on Equity:

The Company has not issued any GDRs/ADRs/Warrants or any other instrument which is convertible into Equity Shares of the company.

Plant Locations

As on March 31, 2012 the Company has 2 in-house manufacturing / finishing unit and 3 warehouses located in Delhi/ NCR. The details of manufacturing and warehousing facilities are as under:

Location	Activity	Sub-Activity/Brand
B - 16, Lawrence Road, Industrial Area, New Delhi - 110 035	Manufacturing	Finishing and Packaging
Plot No. 220, HSIIDC Indl. Estate Barhi, Sonepat	Manufacturing	Finishing and Packaging
B - 47, Lawrence Road, Industrial Area, New Delhi - 110 035	Warehousing	Cantabil
B - 16, Lawrence Road, Industrial Area, New Delhi - 110 035	Warehousing	Cantabil
WZ – 50, Shakurpur, New Delhi – 110 034	Warehousing	Cantabil

Address for Investor Correspondence

- Shareholders related queries

  M/s. Beetal Financial & Computer Services (P) Ltd
  Beetal House, 3rd Floor, 99
  Madangir Behind Local, Shopping Centre,
  New Delhi - 110 062
  Tel: 011-29961281
  Fax: 011-29961284
  E-mail: beetal@beetalfinancial.com

Shareholder holding shares in demat form, should address all correspondence to their respective depository participants.

- Investors grievance redressal and any query on Annual Report:

  Registered Office: B-47,
  First Floor, Lawrence Road Industrial Area,
  Delhi – 110 035

Insider Trading:

Pursuant to the requirements of SEBI (Prohibition of Insider Trading) Regulations, 1992 as amended, the Company has adopted a code of conduct for prohibition of Insider Trading. The Code is applicable to all Directors and such designated employees who are expected to have access to un-published price sensitive information relating to the Company.

Nomination Facility:

Members are allowed to nominate any person to whom they desire to have the shares transmitted in the event of death. Members desirous of availing this facility may submit the prescribed Form 2B to the Registrar & Share Transfer Agent of the Company. For shares held in Demat Form, this form of Nomination must be sent to the concerned Depository Participant and not to the Company or its Registrar & Share Transfer Agent.

ANNEXURE TO CORPORATE GOVERNANCE REPORT

DETAIL OF OTHER DIRECTORSHIPS/COMMITTEE MEMBERSHIPS OF ALL DIRECTORS

1. BODIES CORPORATE OF WHICH MR. VIJAY BANSAL IS A DIRECTOR

Name of the Company	Board Position held
Ramano Fashion Pvt. Ltd.	Director
KPS Products Pvt. Ltd.	Director

COMMITTEE MEMBERSHIP

Name of the Company	Name of the Committee	Position held
Cantabil Retail India Ltd.	Audit Committee	Member
Cantabil Retail India Ltd.	Shareholders' Grievance Redressal Committee	Member

2. BODIES CORPORATE OF WHICH MR. DEEPAK BANSAL IS A DIRECTOR

Name of the Company	Board Position held
KPS Products Pvt. Ltd.	Director

3. BODIES CORPORATE OF WHICH MR. ANIL BANSAL IS A DIRECTOR

Name of the Company	Board Position held
Dolphin Packaging Pvt. Ltd.	Director

COMMITTEE MEMBERSHIP

Name of the Company	Name of the Committee	Position held
Cantabil Retail India Ltd.	Shareholders' Grievance Redressal Committee	Member

4. BODIES CORPORATE OF WHICH MR. LALIT KUMAR IS A DIRECTOR

Name of the Company	Board Position held
Gaap Education Limited	Managing Director

COMMITTEE MEMBERSHIP

Name of the Company	Name of the Committee	Position held
Cantabil Retail India Ltd.	Audit Committee	Member

5. BODIES CORPORATE OF WHICH MR. BRIJ MOHAN AGGARWAL IS A DIRECTOR

Name of the Company	Board Position held
ABM Corporate Consulting Pvt. Ltd.	Director

COMMITTEE MEMBERSHIP

Name of the Company	Name of the Committee	Position held
Cantabil Retail India Ltd.	Audit Committee	Chairman
Cantabil Retail India Ltd.	Shareholders' Grievance Redressal Committee	Chairman
Cantabil Retail India Ltd.	Remuneration Committee	Chairman

6. COMMITTEE MEMBERSHIP OF DR. ARUN KUMAR ROOPANWAL

Name of the Company	Name of the Committee	Position held
Cantabil Retail India Ltd.	Remuneration Committee	Member

CERTIFICATION BY MANAGING DIRECTOR AND CFO FOR FINANCIAL YEAR 2011-12

To the Board of Directors,

Cantabil Retail India Limited

We, the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of Cantabil Retail India Limited ("the Company") to the best of our knowledge and belief certify that:

a) We have reviewed the financial statements and the cash flow statement for the financial year 2011-2012 and that to the best of our knowledge and belief:

   i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year, which are fraudulent, illegal, or violative of the company's code of conduct.

c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d) We have indicated to the auditors and the Audit Committee, wherever applicable, the following:

   i) significant changes in internal control over financial reporting during the year;

   ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

   iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

	Sd/-	Sd/-
Date : July 30, 2012	(VIJAY BANSAL)	(RAJESH ROHILLA)
Place : Delhi	Chairman & Managing Director	Chief Financial Officer

CERTIFICATE ON CORPORATE GOVERNANCE

To the Member of

Cantabil Retail India Limited

We have examined the compliance of the conditions of Corporate Governance by Cantabil Retail India Limited, for the year ended on March 31, 2012, as stipulated in Clause 49 of the Listing Agreements of the said Company with the Stock Exchanges.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to review of the procedures and implementations thereof adopted by the company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

For Ravi S. Sharma & Associates
Company Secretaries

Date : July 30, 2012
Place : New Delhi

Ravi S Sharma
C.P.No.8007

COMPLIANCE WITH CODE OF CONDUCT

I, Vijay Bansal, Chairman cum Managing Director of the Company hereby certify that the Company has adopted a Code of Conduct for all Board Members and senior Management Personnel of the Company and a copy of Conduct as adopted is available on the Company's website. I, further confirm that all the Directors and the senior Management Personnel have affirmed their compliance with the Code of Conduct of the Company for the year ended 31st March 2012.

Date : July 30, 2012
Place : New Delhi

VIJAY BANSAL
Chairman & Managing Director

AUDITOR'S REPORT

To

The Members of

CANTABIL RETAIL INDIA LIMITED

We have audited the attached Balance Sheet of CANTABIL RETAIL INDIA LIMITED, B-47 1st FLOOR, LAWRENCE ROAD INDUSTRIAL AREA, DELHI-110035, as at 31st March, 2012 and the Profit and Loss Account and also Cash Flow statement 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 have conducted 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 believe that our audit provides a reasonable basis for our opinion.

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 in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

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 purpose of our audit ;

(ii) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books ;

(iii) The Balance Sheet and Profit and Loss Account, dealt with by this report, are in agreement with the books of account;

(iv) In our opinion, the Balance Sheet and Profit and Loss Account, dealt with by this report, comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ;

(v) On the basis of written representations received from the directors, as on 31st March, 2012, and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act. 1956 ;

(vi) 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 31st March, 2012 and

(b) in the case of the Profit and Loss Account, of the Loss for the year ended on that date.

(c) In the case of cash flow statement, of the cash flows of the company for the year ended on that date.

For **SURESH & ASSOCIATES**
FRN: 003316N
CHARTERED ACCOUNTANTS

(CA. SURESH K GUPTA)
PARTNER
M. No. 080050

Date : 28th May, 2012
Place : Delhi

ANNEXURE TO AUDITOR'S REPORT

Referred to Paragraph 1 of our report of even date attached

(i) a) The company is maintaining proper records showing full particulars including quantitative details and situation of the assets on basis of the information available.

b) According to information and explanation given to us, the fixed assets of the company have been physically verified by the management at reasonable intervals during the year. No material discrepancies have been noticed on such verification.

c) In our opinion and according to the information and explanations given to us, there was no substantial disposal of fixed assets by the company, which may affect the going concern concept.

(ii) a&b) As explained to us, the inventory has been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable considering size and nature of the business.

c) In our opinion and according to information and explanation given to us, the procedures of physical verification of inventory, followed by the management, are reasonable and adequate. No serious discrepancies have been noticed in physical verification.

(iii) Company has not granted any loans to companies, firms or other parties covered in the register maintained u/s 301 of the Act. However, Company has accepted unsecured loans from two persons aggregating Rs 1,46,12,798/- out of which Rs 135,62,601/- has since been repaid. In our opinion, terms of acceptance of loans are not prejudicial to the interest of company.

(iv) In our opinion and according to information and explanation given to us, there are adequate internal control procedures commensurate with the size and nature of the company for purchase of inventory and fixed assets and sale of goods.

(v) a) According to the information and explanation given to us, the company has entered into transaction pursuance of contract or arrangement entered in register maintained under section 301 of the Companies Act, 1956.

b) In respect of the transactions made in pursuance of such contracts or arrangements and exceeding value Rupees Five Lacs in respect of any party during the year, because of the absence of the comparable prices and variation in the quality of the goods involved, we are unable to comment whether the transactions were made at prevailing market prices at the relevant time.

(vi) In our opinion and explanation given to us, the company has not accepted any public deposit under the directives issued by the RBI and the provisions of 58A and 58AA of the Act and rules framed there under.

(vii) In our opinion, the company has an internal audit system commensurate with its size and nature of business.

(viii) The maintenance of the cost record has been prescribed by the Central Government under section 209(1)(d) of Companies Act, 1956 to the company. As explained to us such accounts and records have been made & maintained.

(ix) (a) According to the books of accounts examined by us, company is generally regular in depositing undisputed statutory dues in respect of PF, ESI, Income Tax, VAT, Sales Tax, Wealth Tax, Custom Duty, Excise Duty, Cess and other statutory dues with the appropriate authorities.

(b) (b) Except for cases detailed hereunder, there are no disputed liability in respect of PF, ESI, Income Tax, Sales Tax, Wealth Tax, Custom Duty, Excise Duty, Cess and other statutory dues which are outstanding as at 31st March, 2012:-

S No.	Period of Demand	Amount involved	Particulars of Demand	Authority where appeal is pending
1.	Financial Year 2003-04	4.38 Lacs	ESI on Job work	Civil Court , Rohini, Delhi
2.	Financial Year 2008-09 , 2009-10 & 2010-11	15.81 Lacs	Under Labour Act	Labour Court, Karkardooma Court, Delhi
3.	Financial Year 2011-12	2.00 Lac	Under Delhi Pollution Control Committee	Karkardooma Court, Delhi
4.	Financial Year 2011-12	Not Informed by the concerned authority	Under Delhi Pollution Control Committee	Karkardooma Court, Delhi
5.	Financial Year 2005-06	18.48 Lacs	Under Sales Tax Act/ DVAT	Appellate Tribunal, Value Added Tax
6.	Financial Year 2007-08	1.26 Lacs	Under Delhi Value Added Tax	Joint Commissioner, Department of Trade & Taxes
7.	Financial Year 2009-10	256.29 Lacs	Demand under section 201(1) and 201(1A) of Income Tax Act, 1961.	CIT(A), Delhi

(x) There are no accumulated losses at the end of the financial year in the case of the company. Further, the company has incurred cash loss during the financial year under report and there was no cash loss in the immediately preceding financial year.

(xi) As per explanation and information provided to us, the company has not defaulted in repayment of dues to financial institutions or banks.

(xii) The company has not granted loans and advances on basis of security by way of pledge of shares, debentures and other securities.

(xiii) Provisions of clause (xiii) are not applicable to the company.

(xiv) As per information given to us, the company is not dealing or trading in shares, securities, debentures and other investments.

(xv) In our opinion and according to the information and explanations given to us, the company has given guarantee for loans taken by others from banks or financial institutions and terms and conditions whereof are not prejudicial to the interest of company.

(xvi) To the best of our knowledge and belief and according to information given to us, the term loan availed by the company were prima facie applied by company during the year for the purpose for which they were obtained.

(xvii) As per information and explanation given to us and overall examination of balance sheet of the company, we report that funds raised on short term basis have prima facie not being used for long term investment and vice versa.

(xviii) As per information and explanation given to us, the company has not made any preferential allotment of shares to promoters of the company covered in the category of persons mentioned under section 301 of the Companies Act.

(xix) As per information and explanation given to us, the company has not issued any debentures and no security has been created against the debentures.

(xx) In our opinion the management has disclosed the end use of money raised by public issue in the Financial year 2010-11 and the same has been verified.

(xxi) As per information and explanation given to us, no fraud has been noticed or reported during the year.

For **SURESH & ASSOCIATES**
FRN: 003316N
CHARTERED ACCOUNTANTS

Date : 28th May, 2012
Place : New Delhi

(CA. SURESH K GUPTA)
PARTNER
M. No. 080050

BALANCE SHEET AS AT 31st MARCH, 2012

(Amt. in Rs.)

Particular	NOTE NO.	As at 31 March, 2012	As at 31 March, 2011
A. EQUITY AND LIABILITIES			
1. Shareholders Funds			
(a) Share Capital	3	163,276,080	163,276,080
(b) Reserve & Surplus	4	953,988,370	1,208,670,401
		1,117,264,450	1,371,946,481
2. Non-Current Liabilities			
(a) Long-term borrowings	5	7,975,252	4,197,934
(b) Deferred tax liabilities (Net)		-	-
(c) Other long-term liabilities	6	115,348,950	266,580,323
(d) Long-term provisions	7	9,770,672	10,309,254
		133,094,873	281,087,511
3. Current Liabilities			
(a) Short-term borrowings	8	345,860,910	550,903,675
(b) Trade payables	9	105,819,958	205,006,332
(c) Other current liabilities	10	25,312,421	27,580,186
(d) Short-term provisions	11	8,813,761	9,947,903
		485,807,050	793,438,096
	TOTAL	**1,736,166,374**	**2,446,472,089**
B. ASSETS			
1. Non-Current Assets			
(a) Fixed assets			
(i) Tangible assets	12.A	181,844,158	202,752,630
(ii) Intangible assets	12.B	427,306	176,551
(iii) Capital work-in-progress	12.A	84,007,868	3,116,459
		266,279,331	206,045,640
(b) Non-current investments			
(c) Deferred tax assets (net)	27.2	17,693,979	13,860,825
(d) Long-term loans and advances	13	135,263,694	161,396,414
		152,957,673	175,257,239
2. Current Assets			
(a) Current Investments	14	155,623,475	348,265,848
(b) Inventories	15	877,382,915	1,426,640,300
(c) Trade Receivables	16	227,856,155	255,655,545
(d) Cash And Cash Equivalents	17	27,187,145	20,779,544
(e) Short-Term Loans And Advances	18	28,879,680	13,827,972
		1,316,929,370	2,065,169,210
	TOTAL	**1,736,166,374**	**2,446,472,089**

See accompanying notes forming part of the financial statements
The accompanying Notes 1 to 27 form integral part of these Financial Statements

As per our report attached of even date

for **SURESH & ASSOCIATES**
FRN: 003316N
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

(CA. SURESH K. GUPTA)
PARTNER
M.NO. 080050

(Vijay Bansal)
Managing Director
DIN: 01110877

(Deepak Bansal)
Director
DIN:01111104

DATE : 28 MAY 2012
PLACE : DELHI

(Rajesh Rohilla)
Chief Financial Officer

(Poonam Chahal)
Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2012

(Amt. in Rs.)

	Particular	NOTE NO.	For the year ended 31 March, 2012	For the year ended 31 March, 2011
A.	**CONTINUING OPERATIONS**			
1.	Revenue From Operations (Gross)	19	1,645,361,326	1,864,321,899
	Less: Excise Duty	19	49,645,854	-
	Revenue From Operations (Net)		1,595,715,472	1,864,321,899
2.	Other income	20	697,822	1,363,935
3.	Total revenue (1+2)		1,596,413,294	1,865,685,834
4.	Expenses			
	(a) Cost of materials consumed	21.a	196,203,975	384,937,016
	(b) Purchases of stock-in-trade	21.b	239,568,545	462,038,363
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade-Increase/(Decrease)	21.c	513,885,637	(225,705,200)
	(d) Employee benefits expense	22	136,919,008	151,567,215
	(e) Finance costs	23	89,436,893	94,326,240
	(f) Depreciation and amortisation expense	12.C	26,467,797	25,263,007
	(g) Other expenses	24	670,983,778	817,562,425
	Total expenses		1,873,465,631	1,709,989,066
5.	**Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4)**		**(277,052,338)**	**155,696,768**
6.	Exceptional items	25.a	(5,831,867)	8,038,739
7.	**Profit / (Loss) before extraordinary items and tax (5 + 6)**		**(282,884,205)**	**163,735,507**
8.	Extraordinary items	25.b	24,502,788	7,095,707
9.	**Profit / (Loss) before tax (7 + 8)**		**(258,381,417)**	**170,831,214**
10.	Tax expense:			
	(a) Current tax expense for current year		-	55,434,675
	(b) (Less): MAT credit (where applicable)		-	-
	(c) Current tax expense relating to prior years		-	-
	(d) Short Provision of Taxes provided for		133,768	-
	(e) Net current tax expense		133,768	55,434,675
	(f) Deferred tax (assets)/liability		(3,833,154)	(8,378,912)
			(3,699,386)	47,055,763
11.	**Profit / (Loss) from continuing operations (9 -10)**		**(254,682,031)**	**123,775,451**
B.	**DISCONTINUING OPERATIONS**			
12.i	Profit / (Loss) from discontinuing operations (before tax)		-	-
12.ii	Gain / (Loss) on disposal of assets / settlement of liabilities attributable to the discontinuing operations		-	-
12.iii	Add / (Less): Tax expense of discontinuing operations			
	(a) on ordinary activities attributable to the discontinuing operations		-	-
	(b) on gain / (loss) on disposal of assets / settlement of liabilities		-	-
13.	**Profit / (Loss) from discontinuing operations (12.i + 12.ii + 12.iii)**		**-**	**-**
C.	**TOTAL OPERATIONS**			
14.	**Profit / (Loss) for the year (11 + 13)**		**(254,682,031)**	**123,775,451**

As per our report attached of even date

for **SURESH & ASSOCIATES**
FRN: 003316N
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

(CA. SURESH K. GUPTA)
PARTNER
M.NO. 080050

(Vijay Bansal)
Managing Director
DIN: 01110877

(Deepak Bansal)
Director
DIN:01111104

DATE : 28 MAY 2012
PLACE : DELHI

(Rajesh Rohilla)
Chief Financial Officer

(Poonam Chahal)
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

(Amt. in Rs.)

Particular	For the year ended 31 March, 2012		For the year ended 31 March, 2011	
A. Cash flow from operating activities				
Net Profit / (Loss) before extraordinary items and tax		(282,884,205)		170,831,214
Adjustments for:				
Depreciation and amortisation	26,467,797		25,263,007	
(Profit) / loss on sale / write off of assets	5,881,704		(7,009,468)	
Finance costs	89,436,893		94,326,240	
Interest income	(697,822)		(1,226,111)	
Dividend income	(15,664,158)		(7,095,707)	
Net (gain) / loss on sale of investments	(8,838,631)	**96,585,784**	-	**104,257,962**
Operating profit / (loss) before working capital changes		**(186,298,421)**		**275,089,176**
Changes in working capital:				
Adjustments for (increase) / decrease in operating assets:				
Inventories	549,257,386		(227,048,128)	
Trade receivables	27,799,391		78,461,682	
Short-term loans and advances	(15,051,709)		(2,842,985)	
Long-term loans and advances	26,132,720		(42,232,898)	
Adjustments for increase / (decrease) in Operating liabilities:				
Trade payables	(99,186,374)		(265,556,020)	
Other current liabilities	(2,267,765)		15,502,177	
Other long-term liabilities	(151,231,373)		(106,912,630)	
Short-term provisions	(1,134,142)		(34,949,807)	
Long-term provisions	(538,583)	**333,779,550**	1,345,262	**(584,233,347)**
		147,481,129		**(309,144,172)**
Cash flow from extraordinary items		24,502,788		-
Cash generated from operations		171,983,917		(309,144,172)
Net income tax (paid) / refunds/ Adjustment		**(133,768)**		**(55,434,675)**
		171,850,149		**(364,578,847)**
Net cash flow from / (used in) Operating activities (A)		**171,850,149**		**(364,578,847)**

Particular	For the year ended 31 March, 2012		For the year ended 31 March, 2011	
B. Cash flow from investing activities				
Capital expenditure on fixed assets, including capital advances	(94,346,014)		(79,248,166)	
Proceeds from sale of fixed assets	1,762,822		9,469,889	
Current investments not considered as Cash and cash equivalents				
- Purchased	(489,490,304)		(499,785,527)	
- Proceeds from sale	626,483,866		248,493,859	
Purchase of long-term investments				
- Subsidiaries	-		-	
- Associates	-		-	
- Joint ventures	-		-	
- Business units	-		-	
- Others	(40,000,000)		(96,810,180)	
Proceeds from sale of long-term investments				
- Subsidiaries	-		-	
- Associates	-		-	
- Joint ventures	-		-	
- Business units	-		-	
- Others	104,487,441		-	
Interest received				
- Subsidiaries	-		-	
- Associates	-		-	
- Joint ventures	-		-	
- Others	697,822		1,226,111	
Dividend received				
- Subsidiaries	-		-	
- Associates	-		-	
- Joint ventures	-		-	
- Others	15,664,158		7,095,707	
		125,259,791		**(409,558,307)**
Cash flow from extra ordinary items		-		-
		125,259,791		**(409,558,307)**
Net income tax (paid) / refunds		-		-
		125,259,791		(409,558,307)
Net cash flow from / (used in) Investing activities (B)		**125,259,791**		**(409,558,307)**
C. Cash flow from Financing activities				
Proceeds from issue of equity shares	-		1,050,000,030	
Proceeds from issue of preference shares	-		-	
Miscellaneous Expenditure Paid for IPO	-		(96,299,328)	
Redemption / buy back of preference / equity shares	-		-	
Proceeds from issue of share warrants	-		-	
Share application money received / (refunded)	-		-	
Proceeds from long-term borrowings	40,800,000		7,000,000	
Repayment of long-term borrowings	(17,462,470)		(122,965,018)	
Net increase / (decrease) in working capital borrowings	(217,840,376)		50,562,992	
Proceeds from other short-term borrowings	6,800,000		850,000	
Repayment of other short-term borrowings	(13,562,601)		(6,738,336)	
Finance cost	(89,436,893)		(94,326,240)	
Dividends paid	-		-	
Tax on dividend	-	**(290,702,339)**	-	**788,084,099**
Cash flow from extraordinary items		-		
		(290,702,339)		788,084,099
Net cash flow from / (used in) financing activities (C)		**(290,702,339)**		**788,084,099**

Net increase / (decrease) in Cash and cash equivalents (A+B+C)	**6,407,601**	**13,946,946**
Cash and cash equivalents at the beginning of the year	**20,779,544**	**6,832,599**
Effect of exchange differences on restatement of foreign currency Cash and cash equivalents	**-**	
Cash and cash equivalents at the end of the year	**27,187,145**	**20,779,545**
Reconciliation of Cash and cash equivalents with the Balance Sheet:		
Cash and cash equivalents as per Balance Sheet	**27,187,145**	**20,779,544**
Less: Bank balances not considered as Cash and cash equivalents as defined in AS 3 Cash Flow Statements	-	-
Net Cash and cash equivalents (as defined in AS 3 Cash Flow Statements) included in Note 17	27,187,145	20,779,544
Add: Current investments considered as part of Cash and cash equivalents (as defined in AS 3 Cash Flow Statements) (Refer Note (ii) to Note 14 Current investments)	-	-
Cash and cash equivalents at the end of the year *	**27,187,145**	**20,779,544**
* Comprises:		
(a) Cash on hand	9,436,721	11,375,042
(b) Cheques, drafts on hand	-	-
(c) Balances with banks	-	-
(i) In current accounts	17,750,424	9,404,502
	27,187,145	**20,779,544**

Notes:

(i) The Cash Flow Statement reflects the combined cash flows pertaining to continuing and discounting operations.

(ii) These earmarked account balances with banks can be utilised only for the specific identified purposes.

See accompanying notes forming part of the financial statements

As per our report attached of even date

for **SURESH & ASSOCIATES**
FRN: 003316N
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

(CA. SURESH K. GUPTA)
PARTNER
M.NO. 080050

DATE : 28 MAY 2012
PLACE : DELHI

(Vijay Bansal)
Managing Director
DIN: 01110877

(Rajesh Rohilla)
Chief Financial Officer

(Deepak Bansal)
Director
DIN:01111104

(Poonam Chahal)
Company Secretary

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note	Particulars

1. Corporate information

The Company is engaged in the business of designing, manufacturing, branding and retailing of apparels under the brand name of "CANTABIL".

2. Significant accounting policies

2.1 Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on accrual basis under the historical cost convention.The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

2.2 Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

2.3 Inventories

(i) Raw Material
At cost or net realizable value (on FIFO basis) whichever is lower.

ii) Finished Goods
At cost or net realizable value whichever is lower. For arriving at the cost for this purpose the cost includes material cost , manufacturing expenses and Overheads.

iii) Semi Finished Goods
At cost of input plus apportioned overhead expenses and depreciation.

iv) Job work in Process
At apportioned manufacturing expenses and depreciation.

v) Stores and Spares
At cost or net realizable value (on FIFO basis) whichever is lower.

vi) Scrap

At estimated realizable value.

2.4 Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash and cash equivalant comprises cash in hand and staff imprest amount.

2.5 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.6 Depreciation and Amortisation

The depreciation on all assets has been provided on 'written down method' at the rates prescribed in Schedule XIV of the Companies Act, 1956.

2.7 Revenue recognition

Revenue in respect of sale of products is recognised on delivery, which coincides with the transfer of risk and rewards of ownership. Discounts given / accrued to customers at the time of despatch are considered as trade discounts and netted from sales.

Sales made to Nepal has been treated as domestic sales since there is no inflow of Foreign Exchange on sales to Nepal.

Interest income is recognized on an accrual basis or time proportionate basis, based on interest rates implicit in the transaction.

2.8 Other income

Dividend Income on investments is recognized as & when declared by the respective Asset Management Entity. Dividend under the reinvestment scheme is accumulated in the fund value and upon maturity of the fund short term/ long term capital gain is recognized accordingly.

2.9 Tangible fixed assets

Fixed assets are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Exchange differences arising on restatement / settlement of long-term foreign currency borrowings relating to acquisition of depreciable fixed assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets. Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

CENVAT Credit availed on acquisition of fixed assets is reduced from the cost of concerned assets.

Fixed assets acquired in full or part exchange for another asset are recorded at the fair market value or the net book value of the asset given up, adjusted for any balancing cash consideration. Fair

market value is determined either for the assets acquired or asset given up, whichever is more clearly evident. Fixed assets acquired in exchange for securities of the Company are recorded at the fair market value of the assets or the fair market value of the securities issued, whichever is more clearly evident.

Capital work-in-progress:

Fixed Assets acquired for the new company owned showrooms or any new project are shown as Capital Work In Progress till the commencement of the commercial operation of the showroom/ project as on the reporting date.

2.10 Intangible assets

Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Subsequent expenditure on an intangible asset after its purchase / completion is recognised as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.

2.11 Foreign currency transactions and translations

Initial recognition

Transactions in foreign currencies entered into by the Company and its integral foreign operations are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Measurement of foreign currency monetary items at the Balance Sheet date

Foreign currency monetary items (other than derivative contracts) of the Company and its net investment in non-integral foreign operations outstanding at the Balance Sheet date are restated at the year-end rates.

In the case of integral operations, assets and liabilities (other than non-monetary items), are translated at the exchange rate prevailing on the Balance Sheet date. Non-monetary items are carried at historical cost. Revenue and expenses are translated at the average exchange rates prevailing during the year. Exchange differences arising out of these translations are charged to the Statement of Profit and Loss.

Treatment of exchange differences

Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company and its integral foreign operations are recognised as income or expense in the Statement of Profit and Loss. The exchange differences on restatement / settlement of loans to non-integral foreign operations that are considered as net investment in such operations

are accumulated in a ""Foreign currency translation reserve"" until disposal / recovery of the net investment.

The exchange differences arising on restatement / settlement of long-term foreign currency monetary items are capitalised as part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets or amortised on settlement / over the maturity period of such items if such items do not relate to acquisition of depreciable fixed assets. The unamortised balance is carried in the Balance Sheet as "Foreign currency monetary item translation difference account" net of the tax effect thereon.

2.12 Investments

Long-term investments, are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

2.13 Employee benefits

Employee benefits include provident fund, superannuation fund, gratuity fund, compensated absences, long service awards and post-employment medical benefits.

Defined contribution plans

The Company's contribution to provident fund and superannuation fund are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made.

Defined benefit plans

For defined benefit plans in the form of gratuity fund and post-employment medical benefits, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service. The cost of such compensated absences is accounted as under :

(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and

(b) in case of non-accumulating compensated absences, when the absences occur.

Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date less the fair value of the plan assets out of which the obligations are expected to be settled. Long Service Awards are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date.

2.14 Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

2.15 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable, had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

2.16 Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

Current and deferred tax relating to items directly recognised in equity are recognised in equity and not in the Statement of Profit and Loss.

2.17 Impairment of assets

The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.

2.18 Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 3: Share capital

Pariculars	As at 31st March, 2012		As at 31st March, 2011	
	Numbers of shares	**Rs.**	Numbers of shares	Rs.
(a) Authorised				
Equity shares of Rs.10/- each with voting right	**17,000,000**	**170,000,000**	17,000,000	170,000,000
	17,000,000	**170,000,000**	17,000,000	170,000,000
(b) Issued				
Equity shares of Rs.10/- each with voting rights	**1,63,27,608**	**163,276,080**	16,327,608	163,276,080
	1,63,27,608	**163,276,080**	16,327,608	163,276,080
(c) Subscribed and fully paid up				
Equity shares of Rs.10/- each with voting rights	**1,63,27,608**	**163,276,080**	1,63,27,608	163,276,080
	1,63,27,608	**163,276,080**	1,63,27,608	163,276,080
	1,63,27,608	**163,276,080**	1,63,27,608	163,276,080

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Fresh issue	Bonus	ESOP	Conversion	Buy back	Other changes	Closing Balance
Equity shares with voting rights								
Year ended 31 March, 2012								
- Number of shares	**16,327,608**	**-**	**-**	**-**	**-**	**-**	**-**	**16,327,608**
- Amount (Rs.)	**163,276,080**	**-**	**-**	**-**	**-**	**-**	**-**	**163,276,080**
Year ended 31 March, 2011								
- Number of shares	8,549,830	7,777,778	-	-	-	-	-	16,327,608
- Amount (Rs.)	85,498,300	77,777,780	-	-	-	-	-	163,276,080

(ii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31st March, 2012		As at 31st March, 2011	
	Number of shares held	**% holding in that class of shares**	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Mr. Vijay Bansal	**4,775,947**	**29.25%**	4,775,947	29.25%
Mrs. Sushila Bansal	**2,542,603**	**15.57%**	2,542,603	15.57%
Mr. Deepak Bansal	**1,116,960**	**6.84%**	1,116,960	6.84%
Punjab National Bank	**1,083,748**	**6.64%**	1,083,748	6.64%

Note 4: Reserves and Surplus

Particulars	As at 31 March, 2012	As at 31 March, 2011
	Rs.	Rs.
(a) Securities premium account		
Opening balance	875,610,222	3,850,000
Add : Premium on shares issued during the year	-	972,222,250
Less : Utilised during the year for:		
Issuing bonus shares	-	-
Writing off preliminary expenses	-	100,462,028
Others	-	-
Closing balance	875,610,222	875,610,222
(b) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	333,060,179	209,284,728
Add: Profit /(Loss) for the year	(254,682,031)	123,775,451
Closing balance	78,378,148	333,060,179
Total	**953,988,370**	**1,208,670,401**

Note 5 Long-Term Borrowings

Particulars	As at 31 March, 2012	As at 31 March, 2011
	Rs.	Rs.
(a) Term loans		
From banks		
Secured	**7,975,252**	4,197,934
Unsecured	**-**	-
	7,975,252	4,197,934
From other parties		
Secured	**-**	-
Unsecured	**-**	-
Total	**7,975,252**	4,197,934

Details of terms of repayment for the other long-term borrowings and security provided in respect of the secured other long-term borrowings:

Particulars	Terms of Repayment	Security	As at 31 March, 2012		As at 31 March, 2011	
			Secured	Unsecured	Secured	Unsecured
Term loans from Banks -Vehicle Loans:						
HDFC Bank Ltd.	Repayble in 36 Monthly EMI	Hypothecation of Vehicles acquired out of loans	3,887,972	-	6,397,735	-
Axis Bank Ltd.	Repayble in 24 Monthly EMI	Hypothecation of Vehicles acquired out of loans	770,269	-	-	-
Total - Term loans from banks-Vehicle Loans:			4,658,241	-	6,397,735	-
Term loans from other Parties -Vehicle Loans:						
Tata Capital Ltd	Repayble in 36 Monthly EMI	Hypothecation of Vehicles acquired out of loans	-	-	1,014,797	-
Total - Term loans from other Parties -Vehicle Loans:			-	-	1,014,797	-
Term loans from Banks :						
HDFC Bank Ltd.	Repayble in 24 Monthly EMI	Mortgage of Immovable Property of the Company at Sr 120 Ground Floor situated at Ansal plaza Vaishali Ghaziabad U.P. and against Credit Card receivable.Personal Guarantee of the promoter /directors of the company.	26,091,822	-	-	-
Total - Term loans from Banks			26,091,822	-	-	-
Total			30,750,063	-	7,412,533	-

Note 6: Other long-term liabilities

Particulars	As at 31 March, 2012	As at 31 March, 2011
	Rs.	Rs.
(a) Trade Payables:		
(i) Acceptances	**-**	-
(ii) Other than Acceptances	**-**	-
(b) Others:		
(i) Trade / security deposits received	**114,809,887**	266,041,260
(ii) Advances from customers	**539,063**	539,063
Total	**115,348,950**	266,580,323

Note 7: Long-term provisions

Particulars	As at 31 March, 2012	As at 31 March, 2011
	Rs.	Rs.
(a) Provision for employee benefits:		
(i) Provision for gratuity (net) (Refer Note)	**8,065,138**	8,419,614
(ii) Provision for other employee benefits (Leave Encashment)	**1,705,534**	1,889,640
	9,770,672	10,309,254
(b) Provision - Others:	**–**	–
Total	**9,770,672**	10,309,254

Note 8: Short-term borrowings

Particulars	As at 31 March, 2012	As at 31 March, 2011
	Rs.	Rs.
(a) Loans repayable on demand		
From banks		
Secured	**344,810,713**	543,090,876
Unsecured	**-**	-
	344,810,713	543,090,876
(b) Loans and advances from related parties		
Secured	**-**	-
Unsecured	**1,050,197**	7,812,799
	1,050,197	7,812,799
Total	**345,860,910**	550,903,675

Note 8 (Contd).

(i) Details of security for the secured short-term borrowings:

Particulars	Nature of security	As at 31 March, 2012	As at 31 March, 2011
		Rs.	Rs.
Loans repayable on demand from banks:			
AXIS Bank Ltd.	First Pari Passu charge over Current assets of the company both present and future, and First parri passu charge by way of hypothecation of entire movable fixed assets both present and future excluding vehicles except immovable properties of the company specifically mortgage to other lenders. The same is also secured by way of mortgage of personal property of the Director and the Personal Guarantee of the Directors.	119,965,910	294,671,997
Standard Chartered Bank	First Pari Passu charge by way of hypothecation over stocks and book debts, and First parri passu charge by way of equitable mortgage over the personal property of the directors and also the personal guarantee of directors.	97,914,292	165,201,423
Oriental Bank of Commerce	Hyp.of stocks of raw material, stock-in-process, Finished goods,stores & Spares and receivables on first pari-passu basis with Axis Bank and Standard Chartered bank. Part First parri passu charge by way of equitable mortgage/ hypothecation of immovable properties of the director mortage to other lenders.The same is also secured by way of Eq. Mortgage of Immovable properties of the company and the Personal Guarantee of the Directors.	104,155,700	80,002,858
Total - from banks		322,035,902	539,876,278
Loans and advances from related parties:			
Mr. Vijay Bansal-(Promoter/Director)		517,905	7,280,507
Vijay Bansal H.U.F.		532,292	532,292
Total - Loans and advances from related parties		1,050,197	7,812,799
	TOTAL	**323,086,099**	**547,689,076**

Note 9: Trade Payables

Particulars	**As at 31 March, 2012**	**As at 31 March, 2011**
	Rs.	Rs.
Trade payables:		
Acceptances	**-**	-
Other than Acceptances	**105,819,958**	205,006,332
Total	**105,819,958**	205,006,332

Note 10: Other current liabilities

Particulars	As at 31 March, 2012	As at 31 March, 2011
	Rs.	Rs.
(a) Current maturities of long-term debt	**-**	-
(b) Other payables		
(i) Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, VAT, Service Tax, etc.)	**13,788,587**	19,601,146
(ii) Payables on purchase of fixed assets	**706,547**	-
(iii) Advances from customers	**10,817,287**	7,979,040
(iv) Others	**-**	-
Total	**25,312,421**	27,580,186

Note Current maturities of long-term debt (Refer Note 5 - Long-term borrowings for details of security and guarantee):

Particulars	As at 31 March, 2012	As at 31 March, 2011
	Rs.	Rs.
(a) Term loans		
From banks		
Secured	**22,774,811**	2,199,801
Unsecured	**-**	-
	22,774,811	2,199,801
From other parties		
Secured	**-**	1,014,797
Unsecured		
	-	1,014,797
Total	**22,774,811**	3,214,598

Note 11: Short-term provisions

Particulars	As at 31 March, 2012	As at 31 March, 2011
	Rs.	Rs.
(a) Provision for employee benefits:		
(i) Provision for bonus	**7,746,273**	8,656,749
(ii) Provision for gratuity (net)	**631,648**	513,948
(iii) Provision for other employee benefits (Leave Encashment)	**412,893**	503,357
	8,790,814	9,674,054
(b) Provision - Others:		
(i) Provision for tax (net of advance tax 'Nil as on 31.03.2012' (As at 31 March, 2011 `Provision of Rs. 47,773,849 /- Less Advance Tax of Rs. 47,500,000 /-)	**-**	273,849
(ii) Provision for Wealth Tax	**22,947**	-
	22,947	273,849
Total	**8,813,761**	9,947,903

Note 12 Fixed assets

A. Tangible assets	Gross block									
	Balance as at 1 April, 2011	Additions	Disposals	Acquisitions through business combinations	Reclassified as held for sale	Revaluation increase	Effect of foreign currency exchange differences	Borrowing cost capitalised	Other adjustments	Balance as at 31 March, 2012
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
(a) Land										
Freehold										
Leasehold	62,416,197	-	-						-	62,416,197
(b) Buildings										
Own use	21,995,689	464,744	-						-	22,460,433
Given under operating lease									-	-
(c) Plant and Equipment										
Owned	54,756,209	1,668,482	3,044,864						(1,715,289)	51,664,538
Taken under finance lease									-	-
Given under operating lease									-	-
(d) Furniture and Fixtures										
Owned	103,357,809	8,610,261	11,030,096						582,396	101,520,370
Taken under finance lease									-	-
Given under operating lease									-	-
(e) Vehicles										
Owned	18,762,417	1,003,023	-						-	19,765,440
Taken under finance lease									-	-
Given under operating lease										-
(f) Office equipment (Computers)										
Owned	20,104,887	1,220,752	51,543						1,132,893	22,406,990
Taken under finance lease									-	-
Given under operating lease									-	-
(g) Leasehold improvements										
Owned	-	-	-						-	-
Taken under finance lease	-	-	-						-	-
Given under operating lease	-	-	-						-	-
(h) Others (specify nature), e.g. Railway sidings, etc.										
Owned	-	-	-						-	-
Taken under finance lease	-	-	-						-	-
Given under operating lease	-	-	-						-	-
Total	281,393,209	12,967,262	14,126,503	-	-	-	-	-	-	280,233,968
Previous year	176,221,534	108,836,188	3,664,513	-	-	-	-	-	-	281,393,209
Capital Work In Progress	3,116,459	84,130,017	3,238,608	-	-	-	-	-	-	84,007,868
Previous year	32,892,481	45,791,684	75,567,706	-	-	-	-	-	-	3,116,459

Note 12 Fixed assets (Contd.)

A. Tangible assets	Accumulated depreciation and impairment								Net Block	
	Balance as at 1 April, 2011	Depreciation / amortisation expense for the year	Eliminated on disposal of assets	Eliminated on reclassification as held for sale	Impairment losses recognised in statement of profit and loss	Reversal of impairment losses recognised in Statement of Profit and Loss	Other adjustments	Balance as at 31 March, 2012"	Balance as at 31 March, 2012"	Balance as at 31 March, 2011"
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
(a) Land										
Freehold	-	-	-				-	-	-	-
Leasehold	-	-	-				-	-	62,416,197	62,416,197
(b) Buildings										
Own use	2,768,092	1,964,011	-				-	4,732,104	17,728,329	19,227,597
Given under operating lease										
(c) Plant and Equipment										
Owned	16,811,388	5,143,881	1,286,575				(631,963)	20,036,731	31,627,807	37,944,822
Taken under finance lease										
Given under operating lease										
(d) Furniture and Fixtures										
Owned	39,590,157	12,315,486	5,156,011				245,227	46,994,858	54,525,512	63,767,653
Taken under finance lease										
Given under operating lease										
(e) Vehicles										
Owned	6,603,020	3,191,421	-					9,794,441	9,970,999	12,159,397
Taken under finance lease										
Given under operating lease										
(f) Office equipment (Computer)										
Owned	12,867,922	3,616,410	39,390				386,736	16,831,677	5,575,313	7,236,966
Taken under finance lease										
Given under operating lease										
(g) Leasehold improvements										
Owned	-	-	-				-	-	-	-
Taken under finance lease	-	-	-				-	-	-	-
Given under operating lease	-	-	-				-	-	-	-
(h) Others (specify nature), e.g. Railway sidings, etc.										
Owned	-	-	-				-	-	-	-
Taken under finance lease	-	-	-				-	-	-	-
Given under operating lease	-	-	-				-	-	-	-
Total	78,640,579	26,231,208	6,481,976				-	98,389,810	181,844,158	202,752,630
Previous year	54,649,500	25,195,170	1,204,091					78,640,579	202,752,630	121,572,034

Note 12 Fixed assets (Contd.)

B. Intangible assets	Gross block								
	Balance as at 1 April, 2011	Additions	Disposals	Acquisitions through business combinations	Reclassified as held for sale	Effect of foreign currency exchange differences	Borrowing cost capitalised	Other adjustments	Balance as at 31 March, 2012
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
(a) Goodwill	-	-	-					-	-
(b) Brands / trademarks	99,053	60,500	-						159,553
(c) Computer software	726,140	426,843	-						1,152,983
Total	825,193	487,343	-	-	-	-	-	-	1,312,536
Previous year	637,193	188,000							825,193

B. Intangible assets	Accumulated depreciation and impairment							Net block	
	Balance as at 1 April, 2011	Depreciation / amortisation expense for the year	Eliminated on disposal of assets	Eliminated on reclassification as held for sale	Impairment losses recognised / (reversed) in Statement of Profit and Loss	Other adjustments	Balance as at 31 March, 2012	Balance as at 31 March, 2012	Balance as at 31 March, 2011
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
(a) Goodwill	-	-	-				-	-	-
(b) Brands / trademarks	87,865	7,319	-				95,183	64,370	11,188
(c) Computer software	560,777	229,270	-				790,047	362,936	165,363
Total	648,642	236,588	-				885,230	427,306	176,551
Previous year	580,805	67,837	-				648,642	176,551	56,388

C. Depreciation and amortisation relating to continuing operations:

Particulars	**For the year ended 31 March, 2012**	For the year ended 31 March, 2011
	Rs.	Rs.
Depreciation and amortisation for the year on tangible assets as per Note 12 A	**26,231,208**	25,195,170
Depreciation and amortisation for the year on intangible assets as per Note 12 B	**236,588**	67,837
Less: Utilised from revaluation reserve	**-**	-
Depreciation and amortisation relating to discontinuing operations	**-**	-
Depreciation and amortisation relating to continuing operations	**26,467,797**	25,263,007

Note 13: Long-term loans and advances

Particulars	As at 31 March, 2012	As at 31 March, 2011
	Rs.	Rs.
(a) Capital advances		
Secured, considered good	**-**	-
Unsecured, considered good	**12,109,395**	7,060,651
Doubtful	**-**	-
	12,109,395	7,060,651
Less: Provision for doubtful advances	**-**	-
	12,109,395	7,060,651
(b) Security deposits		
Secured, considered good		
Unsecured, considered good	**117,333,480**	150,010,186
Doubtful	**-**	-
	117,333,480	150,010,186
Less: Provision for doubtful deposits	**-**	-
	117,333,480	150,010,186
(c) Prepaid expenses - Unsecured, considered good	**-**	-
(d) Advance income tax (net of provisions ` Provision of Rs. Nil and Advance Tax of Rs. 1500000 /- as on 31.03.2012 (As at 31 March, 2011 `Nil) - Unsecured, considered good	**1,500,000**	-
(e) MAT credit entitlement - Unsecured, considered good	**-**	-
(f) Balances with government authorities		
Unsecured, considered good		
(i) CENVAT credit receivable	**-**	-
(ii) VAT credit receivable	**1,280,258**	1,280,258
(iii) Service Tax credit receivable	**-**	-
(iv) Income Tax Refund Due	**2,244,820**	2,249,578
(v) FBT Refund due	**576,363**	576,363
(vi) ESI Deposited Under Protest	**219,378**	219,378
	4,320,819	4,325,577
Total	**135,263,694**	161,396,414

Note 14: Current investments

Particulars	As at 31 March, 2012			As at 31 March, 2011		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
A. Other current investments (At lower of cost and fair value, unless otherwise stated)						
(a) Investment in equity instruments (separately for fully / partly paid up instruments)						
(i) of other entities						
1. 1600 Equity shares of Nova Iron & Steel Co. Ltd	24,000	-	24,000	24,000	-	24,000
	24,000	-	24,000	24,000	-	24,000
(b) Investment in mutual funds						
(i) 833.903 Units of HDFC Equity Fund (G)	130,000		130,000	130,000	-	130,000
(ii) 910.61 Units of IDFC Imperial Equity Fund- Plan A (G)	10,000		10,000	10,000	-	10,000
	140,000	-	140,000	140,000	-	140,000
(c) Investment in Debts Mutual Fund	-	-	-	-	-	-
1. 45,61,365.556 Units Of Birla Sunlife Dynamic Bond Fund-Retail Plan-Md	-	47,865,786	47,865,786	-	-	-
2. 32,00,000 Units Of Axis Fixed Term Plan - Series 14 (368 Days)	-	32,000,000	32,000,000	-	-	-
3. 5101.36 Units Of Religare Ultra Short Term Fund	-	5,110,124	5,110,124	-	-	-
4. 996422.842 Units Of Reliance Quaterly Interval Fund	-	10,000,000	10,000,000	-	-	-
5. 9,97,800 Units Of SBI Magnum Income Fund - Daily Dividend	-	10,040,071	10,040,071	-	-	-
6. 10023.172 Units Of Reliance Money Manager Retail Option-DIV	-	10,034,416	10,034,416	-	-	-
7. 10,00,000 Units Of Bnp Paribas Fixed Term Fund Ser 21F Growth	-	10,000,000	10,000,000	-	-	-
8. 21,30,268.004 Units Of Birla Sunlife Dynamic Bond Fund-Retail Plan-Md	-	22,409,078	22,409,078	-	-	-
9. 8,00,000 Units Of Axis Fixed Term Plan - Series 14 (368 Days)	-	8,000,000	8,000,000	-	-	-
10. 35,00,000 units of BSL Short Term FMP Series 9 Div-Payout	-	-	-	-	35,000,000	35,000,000
11. 2,28,013.906 units of BSL Savings Fund-Instl-Daily Div - Reinvestment	-	-	-	-	2,281,690	2,281,690
12. 30,00,000 units of DSP Blackrock - FMP 3M S30	-	-	-	-	30,000,000	30,000,000
13. 4.893 units of DSP Blackrock - Money Manager Fund - Inst -DD	-	-	-	-	4,897	4,897
14. 10,00,000 units of BNP Paribas Fixed Term Fund Ser 21F Growth	-	-	-	-	10,000,000	10,000,000
15. 3,434,111 units of BNP Paribas Money Plus Institutional Plan Daily Dividend	-	-	-	-	34,359,314	34,359,314
16. 1,600,000 units of Kotak FMP Series 29 - Growth	-	-	-	-	16,000,000	16,000,000
17. 2,000,000 units of Kotak FMP 370 Days Series 9 - Growth	-	-	-	-	20,000,000	20,000,000
18. 3,850,000 units of L207D SBI Debt Fund Series - 180 Days - 14 Dividend	-	-	-	-	38,500,000	38,500,000
19. 3,000,000 units of L205D SBI Debt Fund Series - 180 Days - 13 Dividend	-	-	-	-	30,000,000	30,000,000
20. 2,032,812.88 units ofReliance Fixed Horizon Fund - XVI Series 6 - Dividend	-	-	-	-	20,328,129	20,328,129
21. 5,081,018 units of T30AG Tata FMP Series 30 Scheme A - Growth	-	-	-	-	50,810,180	50,810,180
22. 4,000,000 units of IDFC FMP - Half Yearly Series 12 - Dividend	-	-	-	-	40,000,000	40,000,000
23. 1,527,083 units of Fidelity FMP Series 5 - Plan D - Dividend	-	-	-	-	15,270,839	15,270,839
24. 554,186.75 units of JPMorgan I T Fund- Super Inst Daily Div Plan -Reinvest	-	-	-	-	5,546,800	5,546,800
TOTAL	-	155,459,475	155,459,475	-	348,101,848	348,101,848
GRAND TOTAL	**164,000**	**155,459,475**	**155,623,475**	**164,000**	**348,101,848**	**348,265,848**

Note 15: Inventories

Particulars	**As at 31 March, 2012**	As at 31 March, 2011
	Rs.	Rs.
(a) Raw materials	**14,985,971**	31,475,214
Goods-in-transit		
	14,985,971	31,475,214
(b) Work-in-progress	**87,700,254**	97,059,105
Goods-in-transit		
	87,700,254	97,059,105
(c) Finished goods	**762,920,345**	1,289,480,877
Goods-in-transit	**4,030,568**	-
	766,950,913	1,289,480,877
(d) Stores and spares	**7,745,777**	8,625,104
Goods-in-transit	**-**	-
	7,745,777	8,625,104
Total	**877,382,915**	1,426,640,300

Note 16 Trade Receivables

Particulars	**As at 31 March, 2012**	As at 31 March, 2011
	Rs.	Rs.
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Secured, considered good		
Unsecured, considered good	**42,226,167**	12,289,187
Doubtful	**-**	-
	42,226,167	12,289,187
Less: Provision for doubtful trade receivables	**-**	-
	42,226,167	12,289,187
Other Trade receivables		
Secured, considered good	**-**	-
Unsecured, considered good	**185,629,988**	243,366,358
Doubtful	**-**	-
	185,629,988	243,366,358
Less: Provision for doubtful trade receivables	**-**	-
	185,629,988	243,366,358
Total	**227,856,155**	255,655,545

Note 17: Cash and cash equivalents

Particulars	As at 31 March, 2012	As at 31 March, 2011
	Rs.	Rs.
(a) Cash on hand	**9,436,721**	11,375,042
(b) Cheques, drafts on hand	**-**	-
(c) Balances with banks		
(i) In current accounts	**17,750,424**	9,404,502
(d) Others	**-**	-
Total	**27,187,145**	20,779,544

Note 18: Short-term loans and advances

Particulars	As at 31 March, 2012	As at 31 March, 2011
	Rs.	Rs.
(a) Loans and advances to employees		
Secured, considered good	**-**	-
Unsecured, considered good	**3,687,249**	2,008,037
Doubtful	**-**	-
	3,687,249	2,008,037
Less: Provision for doubtful loans and advances	**-**	-
	3,687,249	2,008,037
(b) Prepaid expenses - Unsecured, considered good	**1,557,383**	2,834,864
(c) Balances with government authorities		
Unsecured, considered good		
(i) CENVAT credit receivable	**-**	-
(ii) VAT credit receivable	**243,406**	100,000
(iii) Service Tax credit receivable	**2,315,799**	-
(iv) Income/TDS Receivable	**65,282**	-
	2,624,487	100,000
(d) Inter-corporate deposits		
Secured, considered good	**-**	-
Unsecured, considered good	**18,000,000**	-
Doubtful	**-**	-
	18,000,000	-
Less: Provision for doubtful inter-corporate deposits	**-**	-
	18,000,000	-
(e) Others		
Secured, considered good	**-**	-
Unsecured, considered good	**3,010,561**	8,885,071
Doubtful	**-**	-
	3,010,561	8,885,071
Less: Provision for other doubtful loans and advances	**-**	-
	3,010,561	8,885,071
Total	**28,879,680**	13,827,972

Note 19: Revenue from operations

Particulars	**For the year ended 31 March, 2012**	For the year ended 31 March, 2011
	Rs.	Rs.
(a) Sale of products	**1,644,151,898**	1,860,441,063
(b) Sale of services	**-**	-
(c) Other operating revenues	**1,209,428**	3,880,836
	1,645,361,326	1,864,321,899
Less:		
(d) Excise duty	**49,645,854**	-
Total	**1,595,715,472**	1,864,321,899

Note 20: Other income

Particulars	**For the year ended 31 March, 2012**	For the year ended 31 March, 2011
	Rs.	Rs.
(a) Interest income	**697,822**	1,226,111
(b) Other non-operating income (net of expenses directly attributable to such income)	**-**	137,824
Total	**697,822**	1,363,935

Note 21.a Cost of materials consumed

Particulars	**For the year ended 31 March, 2012**	For the year ended 31 March, 2011
	Rs.	Rs.
Opening stock	**40,100,318**	38,757,390
Add: Purchases	**177,980,754**	384,460,049
Cartage Inward	**854,650**	1,819,895
	218,935,722	425,037,334
Less: Closing stock	**22,731,748**	40,100,318
Cost of material consumed	**196,203,975**	384,937,016
Total	**196,203,975**	384,937,016

Note 21.b Purchase of traded goods

Particulars	**For the year ended 31 March, 2012**	For the year ended 31 March, 2011
	Rs.	Rs.
Traded good	**239,568,545**	462,038,363
Other items	**-**	-
Total	**239,568,545**	**462,038,363**

Note 21.c: Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	**For the year ended 31 March, 2012**	For the year ended 31 March, 2011
	Rs.	Rs.
Inventories at the end of the year:		
Finished goods	**766,950,913**	1,289,480,877
Work-in-progress	**87,700,254**	97,059,105
Increase / (decrease) of excise duty on inventory	**18,003,178**	-
	872,654,345	1,386,539,982
Inventories at the beginning of the year:		
Finished goods	**1,289,480,877**	998,049,431
Work-in-progress	**97,059,105**	162,785,351
Increase / (decrease) of excise duty on inventory	**-**	-
	1,386,539,982	1,160,834,782
Net (increase) / decrease	**513,885,637**	(225,705,200)

Note 22: Employee benefits expense

Particulars	**For the year ended 31 March, 2012**	For the year ended 31 March, 2011
	Rs.	Rs.
Salaries and Wages	**130,089,233**	141,554,880
Contributions to provident and other funds	**2,175,723**	4,789,139
Expense on employee stock option (ESOP) scheme	**-**	-
Staff welfare expenses	**4,654,052**	5,223,197
Total	**136,919,008**	151,567,215

Note 23 Finance costs

Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
	Rs.	Rs.
(a) Interest expense on:		
(i) Borrowings	**63,127,680**	56,298,728
(ii) Trade payables	**13,417,626**	21,292,885
(iii) Others	**-**	-
- Interest on delayed / deferred payment of income tax	**2,463,970**	6,593,698
- Others		
Bank Charges	**8,597,367**	9,838,434
Other Interest	**1,830,250**	302,495
Total	**89,436,893**	94,326,240

Note 24: Other expenses

Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
	Rs.	Rs.
Consumption of stores and spare parts	**1,352,774**	1,540,884
Increase / (decrease) of excise duty on inventory	**18,003,178**	-
Subcontracting	**54,162,142**	145,180,105
Power and fuel	**27,725,490**	26,880,130
Water	**180,417**	236,037
Rent including lease rentals	**193,009,312**	192,390,182
Repairs and maintenance - Machinery	**1,632,194**	3,031,714
Repairs and maintenance - Others	**6,349,285**	5,874,923
Insurance	**2,856,435**	2,662,848
Rates and taxes	**2,388,944**	2,263,036
Communication	**5,597,923**	6,942,214
Travelling and conveyance	**5,369,875**	6,068,901
Printing and stationery	**2,571,856**	3,019,100
Freight and forwarding	**10,699,303**	17,910,135
Sales commission	**126,490,126**	148,634,643
Sales discount	**144,734,525**	161,970,965
Showroom Expenses	**36,031,785**	40,414,465
Business promotion	**2,537,551**	2,275,798
Advertisement & Publicity Expenses	**16,970,957**	40,585,582
Legal and professional	**3,995,815**	2,894,401
Payments to auditors	**1,175,960**	1,016,125
Bad trade and other receivables, loans and advances written off	**1,799,081**	196,651
Loss on fixed assets sold / scrapped / written off	**49,837**	1,029,271
Miscellaneous expenses	**5,299,013**	4,544,313
Total	**670,983,778**	817,562,425

Note 24 Other expenses (Contd.)

Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
	Rs.	Rs.
(i) Payments to the auditors comprises (net of service tax input credit, where applicable):		
As auditors - statutory audit	**955,060**	882,400
For taxation matters	**220,900**	133,725
For company law matters	**-**	-
For management services	**-**	-
For other services	**-**	-
Reimbursement of expenses	**-**	-
Total	**1,175,960**	1,016,125
(ii) Details of Prior period items (net)		
Prior period expenses		
Sales Discount	**6,318,067**	-
Bad trade and other receivables, loans and advances written off	**1,801,280**	-
Prior period income	**-**	-
Total	**8,119,347**	-

Note 25.a: Exceptional items

Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
	Rs.	Rs.
Profit\(Loss) On Sale Of Fixed Assets	**(5,831,867)**	8,038,739
Total	**(5,831,867)**	8,038,739

Note 25.b: Extraordinary items

Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
	Rs.	Rs.
Dividend Income	**15,664,158**	7,095,707
Short Term Capital Gain	**629,265**	
Long Term Capital Gain	**8,209,366**	
Total	**24,502,788**	7,095,707

Note 26: Additional information to the financial statements

Note	Particulars		
		As at 31st March, 2012 (Rs. In Lacs)	As at 31st March, 2011 (Rs. In Lacs)
26.1	Contingent liabilities and commitments (to the extent not provided for)		
	Contingent liabilities		
	(a) Claims against the Company not acknowledged as debt	**298.22**	Nil
	(b) Guarantees - Corporate Guarantee for Subsidiary Company	**Nil**	Nil
	(c) Other money for which the Company is contingently liable	**Nil**	Nil

26.2	Disclosure as per Clause 32 of the Listing Agreements with the Stock Exchanges Loans and advances in the nature of loans given to subsidiaries, associates and others and investment in shares of the Company by such parties:			
	Name of the party	**Relationship**	**Amount outstanding as at 31 March, 2012 (Rs. In Lacs)**	Maximum balance outstanding during the year (Rs. In Lacs)
	Ambica Steel Ltd.	Others	**120.00**	125.88
			(Nil)	(Nil)
	Automoblibe Components (India) Ltd	Others	**60.00**	60.00
			(Nil)	(Nil)
	Note: Figures in bracket relate to the previous year.			

Note	Particulars		
	Expenditure in foreign currency :	**As at 31st March, 2012 Rs. In Lacs**	As at 31st March, 2011 Rs. In Lacs
26.3	Others	**1.11**	-
26.4	Details of consumption of imported and indigenous items	**For the year ended 31 March, 2012**	
		Rs. In Lacs	%
	Imported		
	Raw materials	**-**	-
			-
	Total	**-**	-
	Indigenous		
	Raw materials	**1,962.04**	100
		(3,849.37)	100
	Total	**1,962.04**	100
		(3,849.37)	100

Note : Figures in bracket related to the previous year

Note 27: Disclosures under Accounting Standards

27.1 Employee benefit plans

27.1 a Defined benefit plans

The Company offers the following employee benefit schemes to its employees:

i. Gratuity

ii. Other defined benefit plans (Leave Encashment)

The following table sets out the funded status of the defined benefit schemes and the amount recognised in the financial statements:

Amt In Rs.

Particulars	**For the year ended 31st March, 2012**		For the year ended 31st March, 2011	
	Gratuity	**Other defined benefit plans (Leave Encashment)**	Gratuity	Other defined benefit plans (Leave Encashment)
Components of employer expense				
Current service cost	**2,640,480**	**894,353**	3,130,528	1,515,743
Interest cost	**720,097**	**213,309**	576,503	151,187
Expected return on plan assets	**-**	**-**	-	-
Curtailment cost / (credit)	**-**	**-**	-	-
Settlement cost / (credit)	**-**	**-**	-	-
Past service cost	**-**	**-**	832,527	-
Actuarial losses/(gains)	**(3,625,484)**	**(904,435)**	(2,783,428)	(750,149)
Total expense recognised in the Statement of Profit and Loss	**(264,907)**	**203,227**	1,756,130	916,781
Actual contribution and benefit payments for year				
Actual benefit payments	**(39,519)**	**(751,164)**	(52,425)	(164,172)
Actual contributions	**-**	**-**	-	-
Net asset / (liability) recognised in the Balance Sheet				
Present value of defined benefit obligation	**8,696,786**	**2,118,426**	9,001,212	2,666,363
Fair value of plan assets	**-**		-	
Funded status [Surplus / (Deficit)]	**(8,696,786)**	**(2,118,426)**	(9,001,212)	(2,666,363)
Unrecognised past service costs				
Net asset / (liability) recognised in the Balance Sheet	**(8,696,786)**	**(2,118,426)**	(9,001,212)	(2,666,363)

Particulars	For the year ended 31st March, 2012		For the year ended 31st March, 2011	
	Gratuity	**Other defined benefit plans (Leave Encashment)**	Gratuity	Other defined benefit plans (Leave Encahsment)
Change in defined benefit obligations (DBO) during the year				
Present value of DBO at beginning of the year	**9,001,212.00**	**2,666,363.00**	7,297,507.00	1,913,754.00
Current service cost	**2,640,480.00**	**894,353.00**	3,130,528.00	1,515,743.00
Interest cost	**720,097.00**	**213,309.00**	576,503.00	151,187.00
Curtailment cost / (credit)	**-**	**-**	-	-
Settlement cost / (credit)	**-**	**-**	-	-
Plan amendments	**-**	**-**	-	-
Acquisitions	**-**	**-**	-	-
Actuarial (gains) / losses	**(3,625,484.00)**	**(904,435.00)**	(2,783,428.00)	(750,149.00)
Past service cost	**-**	**-**	832,527.00	-
Benefits paid	**(39,519.00)**	**(751,164.00)**	(52,425.00)	(164,172.00)
Present value of DBO at the end of the year	**8,696,786.00**	**2,118,426.00**	9,001,212.00	2,666,363.00
Change in fair value of assets during the year				
Plan assets at beginning of the year	**-**	**-**	-	-
Acquisition adjustment	**-**	**-**	-	-
Expected return on plan assets	**-**	**-**	-	-
Actual company contributions	**-**	**-**	-	-
Actuarial gain / (loss)	**-**	**-**	-	-
Benefits paid	**-**	**-**	-	-
Plan assets at the end of the year	**-**	**-**	-	-
Actual return on plan assets	**-**	**-**	-	-
Composition of the plan assets is as follows:				
Government bonds	**-**	**-**	-	-
PSU bonds	**-**	**-**	-	-
Equity mutual funds	**-**	**-**	-	-
Others	**-**	**-**	-	-
Actuarial assumptions				
Discount rate	**8.60%**	**8.60%**	8.00%	8.00%
Expected return on plan assets	**-**	**-**	-	-
Salary escalation	**10.00%**	**10.00%**	10.00%	10.00%
Attrition	**-**	**-**	-	-
Medical cost inflation	**-**	**-**	-	-
Mortality tables	**-**	**-**	-	-
Performance percentage considered	**-**	**-**	-	-
Estimate of amount of contribution in the immediate next year	**-**	**-**	-	-

Note 27.2 Disclosures under Accounting Standards (contd.)

Particulars	**As at 31 March, 2012**	As at 31 March, 2011
	Rs.	Rs.
Deferred tax (liability) / asset		
Tax effect of items constituting deferred tax liability		
On difference between book balance and tax balance of fixed assets	**-**	-
On expenditure deferred in the books but allowable for tax purposes	**-**	-
On items included in Reserves and surplus pending amortisation into the Statement of Profit and Loss	**-**	-
Others	**-**	-
Tax effect of items constituting deferred tax liability	**-**	-
Tax effect of items constituting deferred tax assets		
Provision for compensated absences, gratuity and other employee benefits	**10,815,213**	11,326,559
Provision for doubtful debts / advances	**-**	
Disallowances under Section 40(a)(i), 43B of the Income Tax Act, 1961	**7,746,273**	417,266
On difference between book balance and tax balance of fixed assets	**14,246,867**	1,691,556
Others(IPO Expenses allowable in next year)	**21,726,950**	28,288,957
Tax effect of items constituting deferred tax assets	**54,535,303**	41,724,338
Provision for Defered Tax Assets	**17,693,979**	13,860,825
Less Provision already exist	**13,860,825**	5,481,913
Net deferred tax (liability) / asset	**3,833,154**	8,378,912

Note 27.3 Disclosures under Accounting Standards (contd.)

(a) Related Parties with whom transactions have taken place during the year :

Names of related parties	Description of relationship
Mr. Vijay Bansal	Key Management Personnel
Mr. Deepak Bansal	Key Management Personnel
Mr. Anil Bansal	Key Management Personnel
Mrs. Swati Gupta	Key Management Personnel's relative
Mrs. Megha Bansal	Key Management Personnel's relative
Smt. Sushila Bansal	Key Management Personnel's relative
Anil Bansal (HUF)	Key Management Personnel's relative
Amit Bansal	Key Management Personnel's relative
Manohari Bansal	Key Management Personnel's relative
Poonam Bansal	Key Management Personnel's relative
Rekha Bansal	Key Management Personnel's relative
Ram Nivas Bansal (HUF)	Key Management Personnel's relative
Sunil Bansal	Key Management Personnel's relative
Sunil Bansal (HUF)	Key Management Personnel's relative
Balaji International Clothing	Key Management Personnel's relative
Suresh Chand Bansal	Key Management Personnel's relative
Y. G. Estate Private Limited	Company in which Key Management Personnel's relative has significant influence
Akshi Marketing Private Limited	Company in which Key Management Personnel's relative has significant influence
D. G. Estate Private Limited	Company in which Key Management Personnel's relative has significant influence
Romano Fashion Private Limited	Company in which Key Management Personnel has significant influence

(b) Following are the details of the transaction with the related party :

Nature of Transaction	Related Parties	Rs.
Salary, allowances & perquisite	Key Management Personnel	5,081,795 (5,464,708)
Salary, allowances & perquisite	Key Management Personnel's relative	2,002,565 (900,000)
Rent	Key Management Personnel	916,000 (720,000)
Rent	Key Management Personnel's relative	2,102,500 (4,390,602)
Rent	Company in which Key Management Personnel has significant influence	840,000 (840,000)
Rent	Company in which Key Management Personnel's relative has significant influence	2,114,256 (2,121,610)
Commission	Key Management Personnel's relative	225,000 (422,156)
Commission	Company in which Key Management Personnel's relative has significant influence	1,886,668 (2,366,557)
Interest	Key Management Personnel's relative	- (95,000)
Loan Taken	Key Management Personnel	6,800,000 (850,000)
Loan Repaid	Key Management Personnel	13,562,601 (6,738,336)
Sale	Company in which Key Management Personnel's relative has significant influence	485,439 (18,668,388)
Security Paid	Key Management Personnel's relative	4,700,000 -
Security Received	Key Management Personnel's relative	4,700,000 -

Note : Figures in bracket relate to previous year

(C) Disclosure of Material transactions :

Particulars	Current Year	Previous Year
Salary,allowance & perquisite		
Mr. Vijay Bansal	2,436,400	2,836,108
Mr. Deepak Bansal	2,285,395	1,839,600
Rent		
Mr. Deepak Bansal	916,000	-
Mr. Suresh Chand Bansal	2,002,500	2,045,301
Mr. Amit Bansal	-	2,045,301
Y.G. Estate Pvt. Ltd.	1,745,496	1,752,850
Romano Fashion Pvt. Ltd.	840,000	840,000
Interest		
Poonam Bansal	-	95,000
Commission		
Anil Bansal HUF	330,000	424,024
Sunil Bansal HUF	209,997	371,576
Smt. Manohari Bansal	225,000	300,000
Ram Nivas Bansal (HUF)	209,997	286,368
Balaji International Clothing	1,136,674	1,284,589
Sale		
D.G.Estates Pvt. Ltd.	485,439	-
Balaji International Clothing	-	18,668,388
Security Paid		-
Sushila Bansal	4,700,000	
Security Received		-
Sushila Bansal	4,700,000	
Loan Taken		
Mr. Vijay Bansal	6,800,000	350,000
Mr. Deepak Bansal	-	500,000
Loan Repaid		
Mr. Vijay Bansal	13,562,601	5,388,336
Mr. Deepak Bansal	-	1,350,000

Note 27: Disclosures under Accounting Standards (contd.)

Note	Particulars	For the year ended 31 March, 2012 Rs.	For the year ended 31 March, 2011 Rs.
27.3	**Earnings per share**		
	Basic		
27.3.a	**Continuing operations**		
	Net profit / (loss) for the year from continuing operations	(254,682,031)	123,775,451
	Less: Preference dividend and tax thereon	-	-
	Net profit / (loss) for the year from continuing operations attributable to the equity shareholders	(254,682,031)	123,775,451
	Weighted average number of equity shares	16,327,608	12,230,776
	Par value per share	10	10
	Earnings per share from continuing operations - Basic	(15.60)	10.12
27.3.b	**Total operations**		
	Net profit / (loss) for the year	(254,682,031)	123,775,451
	Less: Preference dividend and tax thereon	-	-
	Net profit / (loss) for the year attributable to the equity shareholders	(254,682,031)	123,775,451
	Weighted average number of equity shares	16,327,608	12,230,776
	Par value per share	10	10
	Earnings per share - Basic	(15.60)	10.12
27.3.c	**Basic (excluding extraordinary items)**		
	Continuing operations		
	Net profit / (loss) for the year from continuing operations	(254,682,031)	123,775,451
	(Add) / Less: Extraordinary items (net of tax) relating to continuing operations	24,502,788	7,095,707
	Less: Preference dividend and tax thereon	-	-
	Net profit / (loss) for the year from continuing operations attributable to the equity shareholders, excluding extraordinary items	(279,184,819)	116,679,744
	Weighted average number of equity shares	16,327,608	12,230,776
	Par value per share	10	10
	Earnings per share from continuing operations, excluding extraordinary items - Basic	(17.10)	9.54

27.4.d	**Total operations**		
	Net profit / (loss) for the year	(254,682,031)	123,775,451
	(Add) / Less: Extraordinary items (net of tax)	24,502,788	7,095,707
	Less: Preference dividend and tax thereon	-	-
	Net profit / (loss) for the year attributable to the equity shareholders, excluding extraordinary items	(279,184,819)	116,679,744
	Weighted average number of equity shares	16,327,608	12,230,776
	Par value per share	10	10
	Earnings per share, excluding extraordinary items - Basic	(17.10)	9.54
	Diluted		
	The diluted earnings per share has been computed by dividing the Net Profit After Tax available for Equity Shareholders by the weighted average number of equity shares, after giving dilutive effect of the outstanding Warrants, Stock Options and Convertible bonds for the respective periods. Since, the effect of the conversion of Preference shares was anti-dilutive, it has been ignored.	(15.60)	10.12
27.3.e	**Continuing operations**		
	Net profit / (loss) for the year from continuing operations	(254,682,031)	123,775,451
	Less: Preference dividend and tax thereon	-	-
	Net profit / (loss) for the year attributable to the equity shareholders from continuing operations	(254,682,031)	123,775,451
	Add: Interest expense and exchange fluctuation on convertible bonds (net)	-	-
	Profit / (loss) attributable to equity shareholders from continuing operations (on dilution)	(254,682,031)	123,775,451
	Weighted average number of equity shares for Basic EPS	16,327,608	12,230,776
	Add: Effect of warrants, ESOPs and Convertible bonds which are dilutive	-	-
	Weighted average number of equity shares - for diluted EPS	16,327,608	12,230,776
	Par value per share	10	10
	Earnings per share, from continuing operations - Diluted	(15.60)	10.12

CANTABIL RETAIL INDIA LIMITED

Regd. Office : B-47, Ist Floor, Lawrance Road, Industrial Area, Delhi - 110035

PROXY FORM

I/We .....

of ..... being member/members

of Cantabil Retail India Limited hereby appoint .....

..... of .....

or failing him.....

as my/our proxy to vote for he/us a on my/our behalf at the Twenty Fourth Annual General Meeting of the company to be held on Saturday, September 29, 2012 at 9.00 A.M. at Tivoli Garden Resort Hotel, Chhattarpur Hills, Mehrauli, New Delhi - 110064 and at every adjournment thereof.

AFFIX 1 RUPEES REVENUE STAMP

Signed this ..... day of ..... 2012.

Signature

Member's Folio Number .....

Client ID and DP ID.....

No. of Shares held .....

CANTABIL RETAIL INDIA LIMITED

Regd. Office : B-47, Ist Floor, Lawrance Road, Industrial Area, Delhi - 110035

ATTANDANCE SLIP

(TO BE HANDED OVER AT ENTRANCE OF THE MEETING HALL)

I hereby record my presence at the Twenty Fourth Annual General Meeting of the company to be held on Saturday, September 29, 2012 at 9.00 A.M. at Tivoli Garden Resort Hotel, Chhattarpur Hills, Mehrauli, New Delhi - 110064.

Name of the Member Attending (in Block Letters)

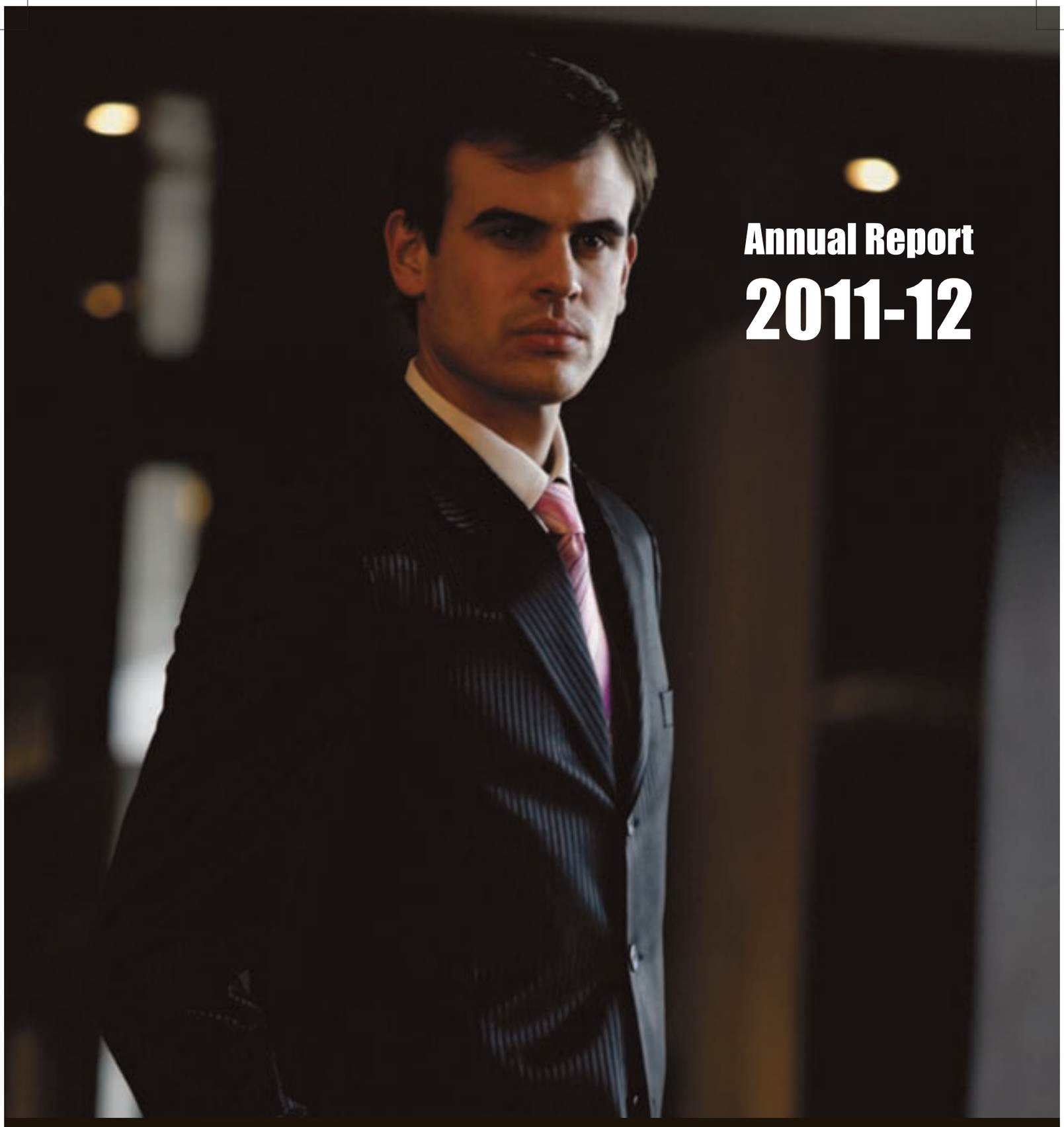
Name of the Proxy (To be filled-in if the Proxy Form has been duly deposted with the Company)

Signature of the Member / Proxy

Member's Folio Number ..... Client ID and DP ID .....

No. of Shares held .....

Note : The Proxies should be deposted at the Registered Office of the Company not late than 48 hours before the commencement of the meeting. The proxy need not be a member of the company.



Annual Report
2011-12

CANTABIL IMPEX LTD.
International Clothing

CANTABIL ITALY
International Clothing

Cantabil Retail India Limited

B-47, Lawrence Road Industrial Area,
New Delhi - 110035
Phone : +91-11-27156381, 27156382
Fax : +91-11-27156383
E-mail : investors@cantabilinternational.com
Website : www.cantabilinternational.com

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