



# CREW B.O.S. PRODUCTS LIMITED

Regd. Office : 304A, Jaina Tower - I, District Centre, Janakpuri, New Delhi-110 058  
Phone : 91-11-45530149 Fax :91-11-45530148  
Corporate Office : 199, Udyog Vihar, Phase-I, Gurgaon, Haryana-122 016  
Phone : 91-124-4139400 Fax :91-124-4005011

## STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE PERIOD ENDED MARCH 31, 2013 (PART-I)

(Rs. in Lakhs)

Sl. No.	PARTICULARS	Standalone				
		Quarter ended			Year Ended	
		31.03.2013 (Audited)	31.12.2012 (Unaudited)	31.03.2012 (Audited)	31.03.2013 (Audited)	31.03.2012 (Audited)
1	<b>Income from operations</b>					
	(a) Net Sales/Income from operations					
	(b) Other operating income	(250.40)	6,615.46	10,898.50	26,794.99	43,204.04
	<b>Total Income from operations (Net)</b>	(250.40)	6,615.46	10,898.50	26,794.99	43,204.04
2	<b>Expenses</b>					
	(a) Cost of materials consumed					
	(b) Purchase of Stock in Trade	990.95	2,900.04	5,556.77	8,520.90	16,899.67
	(c) Changes in inventories of finished goods, work in progress and stock in trade	1,595.96	590.37	2,203.14	10,453.44	10,662.82
	(d) Employee benefit expenses	1,089.58	747.59	(150.04)	4,220.54	1,353.37
	(e) Depreciation and amortisation expenses	955.83	1,045.67	1,358.03	3,673.15	4,012.33
	(f) other expenses	208.13	227.81	248.05	878.82	992.49
	<b>Total expenses</b>	944.69	584.63	193.07	3,205.09	3,876.01
	<b>Profit/(Loss) from operations before other income, finance costs and exceptional items (1-2)</b>	5,785.14	6,096.10	9,409.02	30,951.94	37,796.69
3	<b>Other income</b>	(6,035.54)	519.36	1,489.48	(4,156.95)	5,407.35
4	<b>Profit/(Loss) from ordinary activities before finance costs and exceptional items (3+4)</b>	171.13	2.77	26.69	209.04	51.40
5	<b>Finance Cost</b>	(5,864.41)	522.13	1,516.18	(3,947.91)	5,458.75
6	<b>Profit/(Loss) from ordinary activities after finance costs but before exceptional items (5-6)</b>	1,046.56	978.53	1,266.35	4,105.15	4,481.28
7	<b>Exceptional items</b>	(6,910.97)	(456.40)	249.82	(8,053.05)	977.47
8	<b>Profit/(Loss) from ordinary activities before tax (7-8)</b>	252.50	-	132.15	260.17	143.03
9	<b>Tax expenses</b>	(7,163.47)	(456.40)	117.67	(8,313.22)	834.44
10	<b>Net Profit/(Loss) from ordinary activities after tax (9-10)</b>	(591.97)	(700.00)	28.00	(1,391.97)	128.00
11	<b>Extraordinary Items</b>	(6,571.51)	243.60	89.67	(6,921.25)	706.44
12	<b>Net Profit/(Loss) for the period (11+12)</b>	(11,716.57)	(356.89)	(72.94)	(13,697.10)	(186.12)
13	<b>Share of profit/(loss) of associates</b>	(18,288.08)	(113.29)	16.73	(20,618.36)	520.32
14	<b>Minority Interest</b>	-	-	-	-	-
15	<b>Net profit/(loss) after taxes, minority interest and share of profit of associates</b>	-	-	-	-	-
16	<b>Paid up equity share capital (Face Value Rs 10/- each.)</b>	(18,288.08)	(113.29)	16.73	(20,618.36)	520.32
17	<b>Reserves (Excluding Revaluation Reserves)</b>	1,399.35	1,399.35	1,399.35	1,399.35	1,399.35
18	<b>Earnings per share (before extraordinary items)</b>					
19.i	(of Rs. 10/- each) (not annualised)					
	(a) Basic					
	(b) Diluted	(130.69)	(0.81)	0.12	(147.34)	2.98
19.ii	<b>Earnings per share (after extraordinary items)</b>	(130.69)	(0.81)	0.12	(147.34)	2.98
	(of Rs. 10/- each) (not annualised)					
	(a) Basic	(130.69)	(0.81)	0.12	(147.34)	3.72
	(b) Diluted	(130.69)	(0.81)	0.12	(147.34)	3.72

## STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE PERIOD ENDED MARCH 31, 2013 (PART-II)

Sl. No.	PARTICULARS	Standalone				
		Quarter ended			Year Ended	
		31.03.2013 (Audited)	31.12.2012 (Unaudited)	31.03.2012 (Audited)	31.03.2013 (Audited)	31.03.2012 (Audited)
A	<b>PARTICULARS OF SHAREHOLDING</b>					
1	<b>Public shareholding</b>					
	-Number of shares					
	-Percentage of shareholding	11201211	11098347	9193147	11201211	9193147
2	<b>Promoters and Promoter Group Shareholding</b>	80.05%	79.31%	65.70%	80.05%	65.70%
	a) Pledged / Encumbered					
	-Number of shares	1173733	1276597	3183797	1173733	3183797
	-Percentage of shareholding (as a % of the total shareholding of promoter and promoter group)	42.04%	44.09%	66.32%	42.04%	66.32%
	-Percentage of shareholding (as a % of the total shareholding of the company)	8.39%	9.12%	22.75%	8.39%	22.75%
	b) Non - encumbered					
	-Number of shares	1618523	1618523	1616523	1618523	1616523
	-Percentage of shareholding (as a % of the total shareholding of promoter and promoter group)	57.96%	55.91%	33.68%	57.96%	33.68%
	-Percentage of shareholding (as a % of the total shareholding of the company)	11.57%	11.57%	11.55%	11.57%	11.55%

B	<b>INVESTOR COMPLAINTS</b>	31.03.2013
	Pending at the beginning of the quarter (01.01.2013)	Nil
	Received during the quarter	Nil
	Disposed of during the quarter	Nil
	Remaining unresolved at the end of the quarter (31.03.2013)	Nil





SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

PARTICULARS	Standalone				
	Quarter ended			Year Ended	
	31.03.2013 (Audited)	30.12.2012 (Unaudited)	31.03.2012 (Audited)	31.03.2013 (Audited)	31.03.2012 (Audited)
<b>Segment Revenue (includes manufacturing &amp; trading)</b>					
(a) Fashion Accessories					
(b) Footwear	413.02	5,709.56	7,709.82	22,436.45	28,882.78
(c) Leather	749.30	600.33	2,439.70	5,085.73	10,947.39
<b>Total Income from Operations</b>	181.63	488.92	891.76	1,296.94	4,073.39
Less : Inter Segment Revenue	1,343.96	6,798.81	11,041.28	28,819.13	43,903.55
<b>Net Income from Operations</b>	1,594.28	183.43	142.78	2,024.15	699.51
<b>Segment Result (Profit/loss before tax &amp; intt. from each Segment)</b>	(250.33)	6,615.38	10,898.50	26,794.98	43,204.04
(a) Fashion Accessories					
(b) Footwear	(4,857.53)	768.63	1,799.49	(1,299.13)	5,640.05
(c) Leather	(1,520.82)	74.05	325.97	(1,060.37)	1,630.91
<b>Total</b>	(787.11)	77.00	124.44	(655.29)	582.06
Less :	(7,165.46)	919.68	2,249.90	(3,014.79)	7,853.02
Interest					
Other un-allocable expenditure net of un-allocable income	1,046.56	978.53	1,266.36	4,105.15	4,481.28
<b>Total Profit before Tax</b>	10,668.02	754.44	938.80	14,890.39	2,723.42
<b>Capital Employed (Segment assets - Segment Liabilities)</b>	(18,880.04)	(813.29)	44.74	(22,010.32)	648.32
(a) Fashion Accessories					
(b) Footwear	18,334.38	26,278.79	25,361.89	18,334.38	25,361.89
(c) Leather	1,866.78	3,392.82	3,162.64	1,866.78	3,162.64
(d) Un-allocable Assets	7,344.53	12,062.44	10,853.81	7,344.53	10,853.81
<b>Total</b>	(3,201.32)	3,879.23	6,813.48	(3,201.32)	6,813.48
<b>Total</b>	24,344.37	45,613.28	46,191.81	24,344.37	46,191.81



Statement of Assets and Liabilities As on 31.03.2013		Rs. in Lakh	
Particulars		Standalone (Audited)	
		31.03.2013	31.03.2012
A	<b>EQUITY AND LIABILITIES</b>		
	<b>SHAREHOLDERS' FUNDS:</b>		
	(a) Share Capital	1,399.35	1,399.35
	(b) Reserves and Surplus	(5,131.75)	15,486.62
	<b>Sub - total Shareholders' Funds</b>	<b>(3,732.40)</b>	<b>16,885.97</b>
	<b>Non-Current Liabilities</b>		
	(a) Long-term borrowings	7,760.20	6,771.39
	(b) Deferred Tax Liabilities (net)	-	262.82
	(c) Long-Term provisions	399.10	489.42
	<b>Sub - total - Non current liabilities</b>	<b>8,159.30</b>	<b>7,523.62</b>
	<b>Current Liabilities</b>		
	(a) Short-term borrowings	23,260.37	21,782.22
	(b) Trade Payables	16,131.55	29,981.14
	(c) Other Current liabilities	3,290.29	2,916.04
	<b>Sub - total - Current liabilities</b>	<b>42,682.21</b>	<b>54,679.40</b>
	<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>47,109.11</b>	<b>79,088.99</b>
B	<b>ASSETS</b>		
	<b>Non-current Assets</b>		
	(a) Fixed Assets	13,158.94	14,000.09
	(b) Goodwill on consolidation		-
	(c) Non - current Investments	1,795.64	1,814.10
	(d) Deferred Tax Assets (net)	1,593.26	-
	(e) Long - Term loans and Advances	81.40	253.71
	<b>Sub - total - Non current Assets</b>	<b>16,629.24</b>	<b>16,067.89</b>
	<b>Current Assets</b>		
	(a) Current investments	10.00	10.00
	(b) Inventories	12,969.87	17,944.08
	(c) Trade receivables	12,885.08	39,683.03
	(d) Cash and cash equivalents	252.69	588.14
	(e) Short - Term loans and Advances	3,571.52	3,989.77
	(f) Other Current assets	790.71	806.08
	<b>Sub - total - Current Assets</b>	<b>30,479.87</b>	<b>63,021.10</b>
	<b>TOTAL - ASSETS</b>	<b>47,109.11</b>	<b>79,088.99</b>





**Notes:**

1. The above results for the quarter/year ended March 31<sup>st</sup>, 2013 have been reviewed by the Audit Committee and taken on record by the Board of Directors at their Meeting held on September 30<sup>th</sup>, 2013.
2. The consolidated results include the financial results of subsidiaries of the Company pursuant to AS-21 on Consolidated Financial Statements issued by the ICAI except four overseas WOS namely Alchemy Trade Post, i. Biz Trade Post & i. Connect Trade Post in Mauritius and Crew BOS (Intl) PTE. Ltd. Singapore as the audited account of these companies are not available till date.
3. The previous period's figures have been regrouped / rearranged wherever necessary to make them comparable with the current period's figures.
4. No provision for current year Income Tax has been made during the year ended 31<sup>st</sup> March, 2013 as the Company is in loss. Company has debited Rs. 464.11 lacs on account of short provision of Income Tax for previous years. The provision of Rs. 1856.08 lacs has been made on account of Deferred Tax.
5. The results of the Company are prepared in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI).
6. Investor complaints received and pending for redressal at the beginning, during and end of the quarter are NIL
7. Foreign Exchange Loss on Derivative and Forward Contracts of Rs. 2128.18 lacs include Rs. 1704.52 lacs being loss from contract entered with Standard Chartered Bank (Out of which is Rs. 904.85 lacs is related to FY 2011-12). The above loss figure are of principal amount only and does not include interest for default in payment to be made by the Company from the value date of the contract. The Standard Chartered Bank has not yet recovered the above loss upon cancellation of forward contracts from the company and as such said loss figure is subject to verification and confirmation from the bank.
8. The company has not yet made provision for write off the loans and investments made in following nonfunctional subsidiary and joint venture companies-

Name of the Company	Investment as on 31-03-2013	Rs. in Lacs Loan/ Advance outstanding as on 31-03-2013
Crew MAG Exports Limited	155.55	1303.90
Centre of Excellence in Design Limited	12.50	294.79
Crew ROR Products Limited	50.00	622.92

9. The company has received Income Tax Demand notices in respect of block assessment done by DCIT, Central Circle, Faridabad u/s 153A(1)(b) of the Income Tax Act for the following years

Assessment Year	Rs. in Lacs Amount of Demand
2005-06	34.49
2006-07	33.13
2007-08	337.53
2011-12	741.55
TOTAL	1146.70

The Company has disputed the above demands in appeals filed before CIT(A), Gurgaon hence no provision in respect of the above demands is made in the books of account.



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10. The company has received a demand notice from Income Tax Department in respect of the following years

Assessment Year	Rs. in Lacs Amount of Demand
2005-06	34.49
2006-07	33.13
2007-08	337.53
2011-12	741.55
TOTAL	1146.70

The Company has filed appeals against the above demands raised by the Income Tax Department and the proceedings are pending before CIT(A), Gurgaon.

Company has received following notices and orders from Income Tax Department due to non-payment of self-assessment tax AY 2008-09, AY 2010-11 and AY 2011-12 amounting to Rs. 1238 Lacs.

- Order for attachment under Rule 48 of schedule 2 of the Income Tax Act, 1961 in reference to immovable properties of the Company. By the aforesaid order Company is restrained from transferring its immovable properties by way of sale, decree, mortgage, gift of charging in any way.
- Warrant of attachment of movable property as per rule 20 of the Second Schedule to the Income Tax Act, 1961.
- Notice for setting a sale proclamation of its property situated at Plot No. 140, Leather Complex, Kapurthala Road, Jalandhar, Punjab under Rule 53 of the Second Schedule of the Income Tax Act, 1961.

In regard to recovery of outstanding Income Tax demand on account of self-assessment tax for AY 2008-09, AY 2010-11 and AY 2011-12. The Income Tax Department has decided to auction the property situated at Plot No. 140, Leather Complex, Kapurthala Road, Jalandhar, Punjab as per schedule - II of the Income Tax Act, 1961.

11. The Company got to know about the fraudulent transactions entered into Merchant Trading as was highlighted by legal notices received from Standard Bank Mauritius Limited, Mauritius and Bank One Limited, Mauritius. After finding the same, Company formed an internal investigating committee to go into the detail and come out with the appropriate impact on the account. Based on the committee findings ex- CFO cum Director International Sales and CEO Leather Division - Mr. Sanjeev Sehgal was terminated as he was solely responsible for the International Trade transactions. Company has lodged complaint against him which is pending with the appropriate authority. Accordingly legal notices were also sent to the buyers in Dubai relating to Merchant Trade transactions. Based on the findings of the initial report of the committee the following adjustment/provision have been made in the books of accounts.

- Company has accounted for export sales of Rs. 4,938.74 lacs in the first three quarters of the financial year on the basis of the certified copy of invoices and cargo receipt received from the ex- CFO Mr. Sanjeev Sehgal. However these sales were reversed in the last quarter based on the findings by the internal investigating committee that there were no proper documents, records to substantiate these transactions reflected as sales in earlier quarters.
- The Company has made provision to write back the all the creditors related to International Merchant Trade amounting to Rs. 3,111.16 lacs



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- c. The Company has made provision for bad and doubtful debts for all the debtors related to International Merchant Trade amounting to Rs. 11,180.08 lacs.
- d. The Company has made an ad-hoc provision for bad and doubtful debts for debtors related to domestic trading amounting to Rs. 3500 lacs. The net receivables related to domestic trading after making above provision are Rs. 10825.97 lacs at the year end.
- e. The Company has debited Rs. 68.64 lacs to the accounts of Mr. Sanjeev Sehgal in regard to the advance payment made by him from the company's bank account to various parties which seems to be made by him for his personal affairs.

The investigation is still on and it may come out with further findings. If any, later on, which will be dealt with in the books when final committee report is received and substantiated by documents.

12. The various parties balances (debit/credit) outstanding are subject to confirmation. The Company has sent letter to certain parties for confirmation of statement of account/balances for the year. The Company has not received confirmed statement/balance confirmation from those parties except in few cases. The variation if any found upon reconciliation may affect the financial statement to that extent.
13. The physical stock at the yearend has been taken and valued as certified by Management and by Chartered Engineer & Valuer. As per the recommendation of Inventory Control Management Committee, the Company has written off WIP amounting to Rs. 1692.22 lacs during the year due to obsolete and rejected WIP..
14. The Company was allotted plot no. 446-I, Sector - 8, IMT Manesar measuring 9000 sq.mtrs by HSIIDC in the year 2010. The company had given an advance of Rs. 202.75 Lakhs (Previous year-Rs. 202.75 Lakhs) to HSIIDC Ltd. being 25% of the total value of Rs. 810.00 Lakhs. The Company has not yet got the possession of the plot, since the installments as per allotment letter were not paid. In view of constraints of Company's inability to pay the balance amount due to significant pressure on the liquidity position of the Company, it has decided to surrender its abovementioned industrial plot and has given request accordingly to HSIIDC vide letter dated 10th June, 2013. The Company has not made any provision for the loss if any on the surrender of the plot and same will be accounted for upon final settlement in the matter by HSIIDC.
15. The Company's entire net worth having been eroded it has become mandatory to refer the Company to the board for Industrial Financial Reconstruction.
16. Keeping in view the loss of the company the board does not recommend any payment of dividend.

Place: Gurgaon  
September 30<sup>th</sup>, 2013

For and on behalf of the Board



(Tarun Oberoi)  
Managing Director