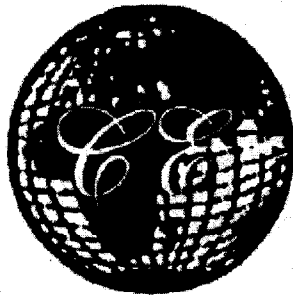


18th

ANNUAL REPORT

2011-2012



CEENIK EXPORTS (INDIA) LIMITED

18TH ANNUAL REPORT 2011-2012

BOARD OF DIRECTORS

NARAIN N. HINGORANI, Chairman & Managing Director

BRIJLAL S. BACHANI

PREM L. VACHHANI

CHANDRU K. BAKHTIANI

BANKERS

- 1) KARNATAKA BANK LTD.
Road No.33,
BANDRA (W) MUMBAI - 400 050
- 2) HDFC BANK LTD.
LOWER PAREL, MUMBAI - 400 013.
- 3) ICICI BANK LTD.
LOWER PAREL, MUMBAI - 400 013.

LEGAL ADVISORS

R. S. VASAVADA
101, DARVESH CHAMBERS,
P. D. HINDUJA MARG,
KHAR(w), MUMBAI - 400 052.

AUDITORS

M/s.UDAYAVAR DHANESH KUMAR &ASSOCIATES
CHARTERED ACCOUNTANTS
B/7, AMBEKAR NAGAR,
OFF G. D.AMBEKAR MARG
PAREL, MUMBAI - 400 012.

REGISTRARS AND TRANSFER AGENTS

UNIVERSAL CAPITAL SECURITIES PVT. LTD.
21, SHAKIL NIWAS, MAHAKALI CAVES ROAD,
ANDHERI(E), MUMBAI - 400 093.

REGISTERED OFFICE

10/A, JEEVAN JAGRUTI C.H.S. LTD., DR.AMBEDKAR
ROAD, BANDRA (W), MUMBAI - 400 050.

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ANNUAL GENERAL MEETING

On Saturday, 29th September 2012 at 11.00 a.m. at
B-14, Jeevan Satyakam C.H.S. Ltd., Dr. Ambedkar Road,
Bandra (W), Mumbai - 400 050.

NOTE :

Shareholders are requested to bring their Copy of the
Annual Report alongwith them as the same will not be
distributed at the Meeting.

NOTICE

NOTICE is hereby given that the Eighteenth **Annual General Meeting** of the members of **CEENIK EXPORTS (INDIA) LTD.** will be held at 11.00 A.M. on Saturday, the 29th September, 2012 at B-14, Jeevan Satyakan, Dr. Ambedkar Road, , Bandra (West), Mumbai – 400 050, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2012 and Profit & Loss Account for the year ended on that date together with the Directors' Report and Auditors' Report thereon.
2. To appoint a Director in place of Mr. Brijlal S. Bachani, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration.

NOTES

- a) A Member Entitled To Attend And Vote Is Entitled To Appoint One Or More Proxies To Attend And On A Poll To Vote Instead Of Himself And That Such Proxy Need Not Be A Member Of The Company. Proxies In Order To Be Effective Must Be Deposited With The Company Not Less Than 48 Hours Before The Meeting.
- b) information about Directors seeking appointment/re-appointment as required under clause 49 of the listing agreement are furnished in Corporate Governance Report and hence, the same is not separately provided in the notice.
- c) Register of Members and Share Transfer Registers of the Company will remain closed from 22th September, 2012 to 29th September 2012 (both days inclusive).

Date : 13 / 08 / 2012

By Order of the Board
(Narain N. Hingorani)
Chairman & Managing Director

18TH ANNUAL REPORT 2011-2012**DIRECTORS' REPORT**

To,
The Members,
Ceenik Exports (India) Ltd.
Your Directors hereby present their EIGHTEENTH ANNUAL REPORT along with the Audited Financial Statements for the year ended 31st March, 2012.

FINANCIAL HIGHLIGHTS:	(Rupees) <u>2011-2012</u>	(Rupees) <u>2010-2011</u>
Profit before Financial Cost, Depreciation & Tax	2,00,89,113	1,85,55,478
Less: Financial Cost	1,64,63,957	1,47,55,613
Less: Depreciation	4,44,210	5,41,572
Profit/Loss before Tax	31,80,946	32,58,293
Less: Provision for Tax	6,50,000	5,00,000
Less: Prior Period Expenses	-	-
Add/Less: Deferred Tax Expenses(Income)	(1,46,212)	-
Add/Less: Short Provision of Tax / Sundry Bal w/off	-	8,34,264
Net Profit for the year	26,77,158	19,24,028
Balance brought forward from Previous Year	12,48,52,290	12,29,28,262
Balance Carried Forward	<u>12,75,29,448</u>	<u>12,48,52,290</u>

DIVIDEND

Considering the exigencies of the funds, your Directors have not recommended any dividend.

MANAGEMENT DISCUSSION & ANALYSIS**INDUSTRY STRUCTURE AND DEVELOPMENTS**

The Garment Industry in India is witnessing consolidation across the country. The Demographic Structure of our country gives tremendous scope for the development of the industry. The Likely opening of Retail Sector for FDI also augurs Well for the industry

PERFORMANCE REVIEW

The Company has decided to consolidate its garments business and has temporarily suspended exports. Domestic Sales for the year under review was Rs 175.74 lacs, a jump of 266.22% compared o last year. Income from the real estate & investment activities increased by about 7.5%. The total income for the year under review was Rs 496.83 lakhs and pre-tax profits was Rs 31.81 lakhs as against Rs 320.25 lakhs and Rs 24.24 lakhs for the review year respectively.

OPPORTUNITIES & THREATS

The Indian Economy is one of the few ecomies in the world which is growing This present a huge oppourtunity to the Industry to grow The overall development of Indian market & increasing purchasing power of Indian consumers offers huge opportunities.

The tremendous uncertainty in the local policy making has created confusion and hindered expansion projects, affecting overall growth of the economy.

RISKS AND CONCERNS

The increased uncertainties in the overall business scenario pose tremendous risks to business planning.

The speed of creation of new infrastructure in the country is a major concern. Availability of skilled manpower & rising costs of land are other major concerns.

FINANCE

The finance cost for the year was Rs.164.64 lakhs as against Rs.147.56 lakhs in the previous year. This was mainly due to more funds being availed in the Garment segment.

INTERNAL CONTROLS

The Company has in place adequate internal control systems and procedures so that all assets and resources are used efficiently and are adequately protected.

SAFETY, HEALTH & ENVIRONMENTAL PROTECTION

Garment manufacturing is non-polluting industry. The Company is providing appropriate training to employees in order to optimize the contribution of each employee.

PERSONNEL

The Company had 9 employees as on 31st March, 2012. Industrial relations continued to be cordial through out the year. None of the employees is covered by the provisions of section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

FUTURE PROSPECTS

As stated above, the Indian economy is growing steadily. However, the sentiments are subdued. Future prospects of Garment industry is bright as the domestic economy is growing and consumer is shifting from tailor made to ready made garments.

RISK MANAGEMENT

Your Directors regularly review the steps required to mitigate the business risk. The assets of the company are adequately insured.

CAUTIONARY NOTE

Certain statement in the above report may be forward looking and are stated as required by legislation in force. The actual results may be affected by many factors which may be different from what the Directors/ Management envisage in terms of future performance and outlook.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 217 (2AA) of Companies Act, your Directors state as follows:

(i) That in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation wherever necessary relating to material departures,
(ii) That the Directors have 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.

(iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing fraud and other irregularities.

(iv) That the Directors have prepared the annual accounts on a going concern basis.

DIRECTORS

Mr. Brijlal S. Bachani shall retire by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for reappointment.

CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement a separate report on Corporate Governance and a certificate from the Auditors of the Company regarding compliance of the conditions of Corporate Governance are annexed to the Directors' Report.

CONSERVATION OF ENERGY ETC.

Your Company is not using any specific energy, which could be conserved by exercising any device. Further, the Company is using its in-house technology and hence, question of absorbing technology does not arise. Therefore, information under 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 is not given. During the year under the review, the Company did not earn nor spend any foreign exchange.

AUDITORS

M/s. Udayavar Dhanesh Kumar & Associates, Chartered Accountants, Auditors of the Company, shall retire at the forthcoming Annual General Meeting. They are eligible for reappointment. Members are requested to appoint Auditors and fix their remuneration.

APPRECIATION

Your Directors thank The Karnataka Bank Ltd., HDFC Bank Ltd & ICICI Bank Ltd for their support. Your Directors also wish to place on record the dedicated services rendered by all employees of the Company. Directors also thank all the Shareholders for their confidence reposed in the management.

Mumbai.
13th August 2012.

For & on behalf of the Board
(Narain N. Hingorani)
Chairman & Managing Director

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REPORT ON CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement, a Report on Corporate Governance is given below:

A. MANDATORY REQUIREMENT

I. COMPANIES PHILOSOPHY ON CODE OF GOVERNANCE

The basic philosophy of corporate governance in the Company is to achieve business excellence, comply with laws and regulations and dedicate itself for increasing long term shareholder value.

II. BOARD OF DIRECTORS

(a) As on 31st March, 2012, the strength of the Board of Directors was four, comprising of Chairman and Managing Director, and three other Non Executive Directors.

During the financial year under review, six Board Meetings were held, namely on 14.05.11, 12.08.11, 27/08/2011, 30.09.11, 15.11.11 and 15.02.12. Attendance of each Director at the Board Meetings and last Annual General Meeting and the number of Companies and Committees where he is Director/Member (as on 31st March, 2012), is as under :

Name of Director	Category of Directorship	No. of Board Meetings attended	Attendance at last AGM held on 28.12.2011	No. of other Companies in which Director	Member of Committee other than Private & Foreign Co.	No. of Share held
Mr. Narain Hingorani	Chairman & Managing Director	06	Yes	3	1	4,50,000
Mr. Brijjal Bachani	Independent Non-Executive	04	No	1	1	500
Mr. Prem Vachhani	Non-Executive	06	Yes	0	2	3,600
Mr. Chandru Bakhtiani	Independent Non-Executive	05	Yes	1	2	Nil

Particulars of Director retiring by rotation and seeking re-appointment are given below

Name of Director	Mr. Brijla S. Bachani
Date of Birth	12.12.1939
Date of Appointment	27.01.1995
Business Experience	45 years
Qualification	B.A.
Directors in other Companies incorporated in India	None
Chairman/Member of Committee of Companies other than Ceenik Exports (India) Ltd.	None

b) Board Procedure

All the Directors on the Board are informed the date and venue of the each Board Meeting in advance alongwith Agenda. To enable the Board to discharge its responsibilities effectively, the Managing Director and Accounts Manager apprises the Board the performance of the Company. The Board reviews the strategy, business plan, annual operating and capital expenditure budgets, projections, compliance reports of all laws applicable to the Company as well as the steps taken to rectify instances on non-compliances, taking on record of unaudited quarterly/ half yearly/ annual results, minutes of the meetings of the Audit and other Committees of the Board and information on recruitment of Managers just below the Board level.

c) Code of Conduct

The Board has laid down Code of Conduct for the Board Members and other senior management and employees of the Company. All Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct. A declaration signed by the Managing Director to this effect is enclosed at the end of this report.

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d) Disclosures

- i) **CEO Certificate:** The Managing Director has given a certificate to the Board as contemplated in Clause 49 of the Listing Agreement and the same was placed before the Board.
- ii) There was no transaction of material nature with its promoters, the Directors or the Management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the Company at large.
- iii) Transaction with related parties are disclosed under clause no.8 of schedule 14 forming part of the Accounts. The register of contracts containing the transactions in which Directors are interested is placed before the Board for its approval.
- iv) During the last three years, there were no strictures or penalties imposed by either the Securities Exchange Board of India or the Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital market.

III. COMMITTEE OF THE BOARD

a) Audit Committee:

Terms of Reference and Composition, Number of Members and Chairman.

The Audit Committee comprises of Mr. Brijal S. Bachani, Chairman, Mr. Prem Vachhani, Member, Mr. Chandru Bakhtiani, Member, all of whom are independent Directors; except Mr. Prem Vachhani.

The terms of reference of this Committee cover the matters specified under the clause 49 of the Listing Agreement and in Section 292A of the Companies Act, 1956.

During the year under review, the Audit Committee held four meetings which were attended by all the members.

b) Remuneration Committee:

The Remuneration Committee comprises of Mr. Chandru Bakhtiani and Mr. Prem Vachhani. The Committee was not required to meet during the year.

Remuneration of Directors

The details of remuneration paid to the Directors during the financial year April, 2011 - March, 2012 are given below:

a) Executive Directors

Name of Directors	Salary and Allowances	Commission (Provision made) Rs.	Perquisites	Retirement Benefits*
Mr. Narain Hingorani	Rs.5,70,000/-	NIL	NIL	NIL

* Excluding provision for Gratuity.

Notes:

1. Notice period for termination of appointment of Managing Director is three months, on either side.
 2. Presently the Company does not have a scheme for grant of stock options either to the Executive Directors or employees.
 3. The Managing Director is not entitled to commission on the net profits of the Company.
- b) Non-Executive Directors Non-Executive Directors are not paid any sitting fees for attending Board/ Committee Meetings.

c) Investor's Grievance Committee

The Company's Investors' Grievance Committee has been constituted on 31.07.2002

The Members of the Committee are Mr. Narain Hingorani and Mr. Chandru Bakhtiani.

Mr. Narain Hingorani, Managing Director, is also the Compliance Officer of the Company.

The Committee met 4 times during the year under review.

The Committee looks into redressing of shareholders/ investors complaints, issue of duplicate Share Certificate.

The Company's Registrars, M/s. Universal Capital Securities Pvt. Ltd. has confirmed that they have not received any complaint on behalf of the company. The Company has also not received any complaint from the Shareholders/ Investors.

IV. GENERAL BODY MEETINGS

The last three Annual General Meetings were held as under:

Financial Year	Date	Time	Location
2008-09	30.09.2009	11.00 a.m.	129/A-1, Shah & Nahar Indl. Estate, S.J. Road, Lower Parel (W), Mumbai - 400 013.
2009-10	30.09.2010	11.00 a.m.	10-A, Jeevan Jagruti Dr. Ambedkar Road, Bandra (w), Mumbai -50.
2010-11	28.12.2011	11.00 a.m.	10-A, Jeevan Jagruti Dr. Ambedkar Road, Bandra (w), Mumbai -50.

All the resolutions set out in the respective Notices were passed by the Shareholders.

No resolution was required to be put through postal ballot at any of the above General Meetings.

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V. MEANS OF COMMUNICATIONS

Half yearly report sent to each household of Shareholders Quarterly Results Any Website where displayed Whether presentations made to Institutional Investors or to the Analysts Newspapers in which Results are normally published in Whether Management Discussion and Analysis is a part of the Annual Report	No, as the Results of the Company are published in the Newspapers having wide reach. -do- No No Business Standard & Dainik Sagar or Mumbai Lakshadeep/ or Financial Express and Dainik Sagar Yes
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VI. GENERAL SHAREHOLDER INFORMATION

AGM Date, Time and Venue Financial Calendar Financial Year First Quarter Results Second Quarter Results Third Quarter Results Fourth Quarter Results Audited Results of the year ending 31 st March, 2013 Date of Book Closure Dividend Payment Date Listing on Stock Exchanges Stock Code – Physical Demat ISIN Number for NSDL & CDSL	29.09.2012 at 11.00 a.m. at B-14, Jeevan Satyakam, Dr. Ambedkar Road, Bandra (West), Mumbai - 400 050. April, 2012 to March, 2013 April to March By 13th August, 2012 By 14th November, 2012 By 14th February, 2013 By 15th May, 2013 By 30th July, 2013 22 nd to 29 th September, 2012. No dividend declared The Stock Exchange, Mumbai. The Company has paid the Listing Fees to the Stock Exchange upto the Financial year ended 31 st March, 2012. 531119 INE418D01010
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Market Price Data:
 Share Price – Face Value Rs. 10/-

The high & low price during the months in which the Company's shares were traded is as follows:

Month	High	Low
Apr'11	16.00	15.25
May'11	16.00	15.15
Jun'11	15.25	15.25
Jul'11	15.35	15.25
Aug'11	15.30	15.25
Sep'11	16.00	16.00

Month	High	Low
Oct'11	15.25	13.80
Nov'11	13.15	9.71
Dec'11	9.23	6.18
Jan'12	7.49	6.48
Feb'12	7.83	7.11
Mar'12	9.52	7.84

Registrars & Share Transfer Agents

Person to Contact
 Telephone No.
 Fax No.
 Share Transfer System

UNIVERSAL CAPITAL SECURITIES PVT. LTD. 21, Shakil Niwas, Mahakali Caves Road, Andheri(E), Mumbai – 400 093.

Mr. Ravi Utekar
 022 2836 6620
 022 2821 1996

The power to approve transfer of shares purchased by an investors in physical form has been delegated by the Board of Directors to Investors' Grievance Committee. Transfers are approved as and when received. Transfers in favour of NSDL/CDSL on dematerialisation requests are approved by Managing Director

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Distribution of Shareholding as on 31.03.2012

No. of Equity Shares held	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
1-500	953	79.816	1,30,787	3.904
500-1000	65	5.444	54,990	1.641
1001-2000	114	9.548	1,95,053	5.822
2001-3000	14	1.173	34,498	1.030
3001-4000	8	0.670	30,085	0.898
4001-5000	7	0.586	32,015	0.956
5001-10000	10	0.838	72,476	2.163
10001 And Above	23	1.926	28,00,096	83.585
TOTAL	1194	100.00	33,50,000	100.00

Shareholding Pattern as on 31.03.2012

Categories of Shareholders

Indian Promoters

Percentage %

74.60

Non Resident Indians

0.08

Private Bodies Corporate

2.68

Indian Public

22.64

Dematerialisation of Shares and

Dematerialised – 14,02,875

Liquidity as on 31.03.2012

Not Issued

Outstanding GDRs/ ADRs/ Warrants

D/396/2, TTC Indi. Area MIDC, Turbhe,

Factory Location

Navi Mumbai - 400709

Address for correspondence

Shareholder correspondence should be addressed to the Company's Registrars, Universal Capital Securities Pvt. Ltd. 21, Shakil Niwas, Mahakali Caves Road, Andheri (E), Mumbai - 400 093.

Shareholders holding shares in dematerialised form should address all their correspondence (including change of address, nomination, bank details to be incorporated on dividend warrants, Powers of Attorney, etc.) to their Depository Participants.

B. NON MANDATORY REQUIREMENTS

a) Chairman of the Board

Whether Chairman of the Board is entitled to maintain a Chairman's Office at the Company's expense and also allowed reimbursement of expenses incurred in performance of his duties

Expenses incurred in performance of his duties are reimbursed.

b) Remuneration Committee

Formed

c) Shareholder Rights

The half yearly declaration of financial performance including summary of the significant events in last six months should be sent to each household of Shareholders.

The Company's half yearly Results are published in English and Marathi newspapers having wide circulation. Hence same are not sent to Shareholders.

d) Postal Ballot

The company will make use of postal ballot for obtaining approval for such items as are mandated under the listing agreements and by Section 192 A of the Companies Act, 1956.

To, DECLARATION BY THE MANAGING DIRECTOR UNDER CLAUSE 49 OF THE LISTING AGREEMENT

The Members of Ceenik Exports (India) Ltd.

I, Narain Hingorani, Managing Director of Ceenik Exports (India) Ltd. declare that all the Members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct.

Place : Mumbai

Date : 13.8.2012

For & on behalf of the Board

(Narain N. Hingorani)

Chairman & Managing Director

COMPLIANCE CERTIFICATE

To:
The Members
Ceenik Exports (India) Limited

I have examined the registers, records, books and papers of Ceenik Exports (India) Limited (the Company) as provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended 31st March, 2012. In my opinion and to the best of my information and according to the examinations carried out by me and explanation furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure A to this certificate, as per the provisions and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate with the Registrar of Companies, Maharashtra, within the time prescribed under the Act and the rules made thereunder. The Company has not filed any form/return with the Regional Director, Central Government, Company Law Board or other authorities.
3. The Company being a Public Limited company, comments on invitation to public to subscribe for shares/debentures or acceptance of deposits as applicable to a Private Limited Company are not required.
4. The Board of Directors duly met six times namely on 14.05.11, 12.08.11, 27.08.2011, 30.09.11, 15.11.11 and 15.02.12. in respect of which meetings proper notices were given and the proceedings were properly recorded and signed. No circular resolutions was passed during the financial year.
5. The Company had closed its Register of Members from 22/12/2011 to 28/11/2011 (both days inclusive) during the financial year.
6. The Annual General Meeting for the financial year ended on 31st March, 2011 was held on 28th December, 2011 after giving due notices to the members of the Company and the resolutions passed there at were duly recorded in Minutes Book maintained for the purpose.
7. No Extra-Ordinary General Meeting was held during the financial year.
8. The Company has not advanced any loan to its Directors and/or persons or firms or companies referred to in Section 295 of the Act.
9. The Company has duly complied with the provisions of Section 297 of the Act in respect of contracts specified in that section.
10. The Company has made necessary entries in the register maintained under Section 301 of the Act.
11. As there was no appointment falling within the purview of Section 314 of the Act during the year, the Company has not obtained approval from the Board of Directors, members or Central Government.
12. Company has not issued any duplicate share certificate during the financial year.
13. (i) The Company has delivered all the certificates on lodgment thereof for transfers in accordance with the provision of the Act. There was no allotment or transmission of shares during the financial year.
(ii) As the Company did not declare any dividend during the financial year, the need to deposit any amount of dividend in a separate Bank Account did not arise.
(iii) The Company was not required to post warrants to any member of the Company as no dividend was declared during the financial year.
(iv) There was no such amount in unpaid dividend account, application money due for refund, matured deposits, matured debentures and interest accrued thereon which have remained unclaimed or unpaid for a period of seven years;
(v) The Company has complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted and the appointment of Directors have been duly made. There was no appointment of an Additional Director, Alternate Director and Director to fill casual vacancy during the financial year.
15. The appointment of Managing Director has been made in compliance with the provisions of Section 269 read with Schedule XIII to the Act. Company has not appointed Whole-time Director or Manager.
16. The Company has not appointed sole selling agents.
17. The Company has obtained all necessary approvals of the Company Law Board as detailed below :
a) Condonation of delay/extension of time under Section 141 of the Act for filing of Form No. 8 for registration of charge created on 07/06/2010 for Rs.208 lacs created in favour of ICICI Bank Ltd. Hon'ble Board granted extension vide its order dated 25/08/2011.
The Company was not required to obtain any approval of the Registrar of Companies, Regional Director or such other authorities as prescribed in the various provisions of the Act.

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18. The Directors have disclosed their interest in other firms/Companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. The Company has not issued any shares or securities during the financial year ended 31st March, 2012.
20. The Company has not bought back any shares during the financial year ending 31st March, 2012.
21. The Company has not redeemed any preference shares/debentures during the financial year.
22. The Company was not required to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited/accepted any deposit including any unsecured loans falling within the purview of Section 58A of the Act during the financial year.
24. The amount borrowed by the Company from Directors, members, public, financial institution, banks and others during the financial year ended 31st March, 2012 are within the borrowing limits of the Company and that necessary resolution as per Section 293(1)(d) of the Act have been passed in duly convened Annual General Meeting
25. The Company has made loans and investments in compliance with the provisions of the Act and has made necessary entries in the register kept for the purpose. The Company has not given any guarantee or provided security to other bodies corporate.
26. Company has not altered the provisions of the Memorandum with respect to the situation of the Company's Registered Office from one state to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to the name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to Share Capital of the Company during the year under scrutiny.
30. The Company has not altered its Articles of Association during the financial year.
31. There was no prosecution initiated against or show cause notice received by the Company or any other punishment imposed on the Company during the financial year, for offenses under the Act.
32. The Company has not received any money as security from its employees during the year under certification.
33. The Company has deposited both employees' and employer's contribution to Provident Fund with prescribed authorities pursuant to Section 418 of the Act.

Place: MUMBAI
Date : 13.08.2012

(UPENDRA C. SHUKLA)
COMPANY SECRETARY
FCS: 2727/CP No: 1654

ANNEXURE A

Registers as maintained by the Company

- 1) Minutes Book of the Board Meeting u/s 193 of the Act.
- 2) Minutes Book of the General Meeting u/s 193 of the Act.
- 3) Register of Members of the Company u/s 150 of the Act.
- 4) Register of Directors u/s 303 (2) of the Act.
- 5) Register of Directors' Shareholding u/s 307
- 6) Register of Charges u/s 143
- 7) Register of Contracts u/s 301

ANNEXURE B

Forms and returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ended on 31st March, 2012 :

- 1) Form No. 8 – registration of Charge created on 05/09/2011 for Rs.250 lacs in favour of ICICI Bank Ltd., filed u/s 125 on 06/09/2011.
- 2) Form No. 8 – registration of Charge created on 07/06/2010 for Rs.208 lacs in favour of ICICI Bank Ltd., filed u/s 125 on 28/01/2011.
- 3) Form No. 21 – filing of the order of the Company Law Board dated 25/08/2011 pertaining to condonation of delay caused in filing of Charge dated 07/06/2010 for Rs.208 lacs created in favour of ICICI Bank Ltd., filed u/s 141 on 14/09/2011.
- 4) Compliance Report for the year ended 31/03/2011 filed u/s 383A on 25/02/2012;
- 5) Annual Return as on 28/12/2011 filed u/s 159 on 25/02/2012.

Place: Mumbai
Date : 13.08.2012

(UPENDRA C. SHUKLA)
COMPANY SECRETARY
FCS: 2727/CP No: 1654

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Certificate of Compliance from Auditors as stipulated under clause 49 of the listing agreement of the Stock Exchanges in India

CERTIFICATE

To the Shareholders

We have examined the compliance of conditions of Corporate Governance by Ceenik Exports (India) Ltd. for the year ended on 31st March, 2012, as stipulated in clause 49 of the Listing Agreement of the said company with stock exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of 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 Clause 49 of the above mentioned Listing Agreement.

We state that in respect of investor grievances received during the year ended 31st March, 2012 no investor grievances are pending against the Company as per the records maintained by the Company and presented to the Investor Grievances Committee.

We further 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 Udayavar Dhanesh Kumar & Associates
Chartered Accountants**

**Mumbai
13.8.2012**

**Dhanesh Kumar Udayavar
Proprietor**

Auditors' Report to the Members of Ceenik Exports (India) Ltd.

- 1) We have audited the attached Balance Sheet of Ceenik Exports (India) Ltd. as at 31st March, 2012 and also the Statement of Profit and Loss Account and also the 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.**
- 2) We have conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amount and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.**
- 3) As required by the Companies (Auditors 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 & 5 of the said order.**
- 4) Further to our comments in the Annexure referred to above, we report that: -**
 - i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.**
 - ii. In our opinion, proper books of accounts as required by law have been kept by the company, so far as appears from our examination of those books.**
 - iii. The Balance Sheet, Statement Of Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.**

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- iv. In our opinion the Balance Sheet statement of Profit and Loss Account and Cash Flow statement 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 the 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. statement
- vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts, read together with the Significant Accounting policies and notes appearing thereon give the information as 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;
 - b. In the case of the Statement Of Profit and Loss Account, of the profit for the year ended on that date.
 - c. In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For UDAYAVAR DHANESH KUMAR & ASSOCIATES

Chartered Accountants

Firm Registration No. : 119401W

DHANESH KUMAR UDAYAVAR

Proprietor

Membership No. 102031

Place: Mumbai
Date: 30.05.2012

ANNEXURE TO THE AUDITORS REPORT

(Referred to in Paragraph 3 of our Report of even date)

- 1.
 - a. The Company has maintained proper records to show full particulars, including quantitative details and situation of the fixed assets.
 - b. All the assets have been physically verified by the management during the year and there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
 - c. As explained to us, the company has not disposed off a major or any part of plant and machinery during the year.
- 2.
 - a. As explained to us, the inventory has been physically verified by the management. According to the information and explanations given to us, we are of the opinion, the frequency of the verification is reasonable.
 - b. In our opinion, the procedure of the physical verification of the inventories followed by the company are reasonable and adequate in relation to the size of the company and the nature of its business.
 - c. The company is maintaining records of inventory . No discrepancies are noticed on verification between the physical stocks and the book records. However, the Company needs to improve methods of maintaining records of inventories of raw materials sent for processing, stitching, washing and other processes.

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3. a. The following are the particulars of unsecured loans taken from Companies, firms and other parties covered in the register maintained under section 301 of the Companies Act, 1956

Sr. No.	Name of the party	Amount (in Rs.)	Relationship	Year end Balance (Rs.)
1	Ceenik Fashions	39,25,949.00	Proprietor is Managing Director & Shareholder	31,021.77
2	International Exports Corporation	34,96,233.60	Proprietor is Shareholder & Promoter	88,440.22
3.	September Fashion	12,75,010.51	Proprietor is Shareholder & employee	22,470.46
4.	Niktin Properties & Estates Pvt. Ltd.	5,00,000.00	Company under same management	4,734.00

- b. No loans are given to Companies, firms and other parties listed in the register maintained under section 301 of the Companies Act, 1956.
- c. Interest are paid on loans taken from Companies, firms and other parties listed in the register maintained under section 301 of the Companies Act, 1956. In our opinion, the rate of interest and other terms and conditions on which loans have been taken are not prima facie prejudicial to the interest of the company
- d. The company is regular in repaying the principal amounts as stipulated and the parties have repaid the principal amounts as stipulated.
- e. There is no overdue amount of loans taken from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedure commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to sale of goods. During the course of our audit, we have not observed any continuing failure to correct weakness in internal controls.
- 5.a. Based on the audit procedures applied by us and according to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- b. In respect of contracts or arrangements to be entered in the register maintained in pursuance of section 301 of the Companies Act, 1956; to the best of our knowledge and belief and according to the explanation and information given to us following are the transactions entered for an amount exceeding Rs. 5 lacs:

Sr. No.	Name of the Party	Nature of Transaction	Amount (in Rs.)
1.	Viking Advanced Technologies Pvt. Ltd.	Labour Charges Paid	39,36,621
2.	Viking Advanced Technologies Pvt. Ltd.	Investment made (Partly paid up Shares at premium)	1,00,00,000

6. The company has not accepted deposits from public, under section 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975.
7. In our opinion, the company has an internal audit system commensurate with size and nature of its business.
8. The Company is not required to maintain any Books of Accounts pursuant to the rules made by the Central Government for the maintenance of Cost Records under section 209(1) (d) of the Companies Act, 1956.

- 9.a. According to the records of the Company, the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, Investor Education Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Custom Duty, Cess and other material statutory dues applicable to it and no amount were in arrears as at 31st. March, 2012 for a period of more than six months from the date they became payable except for service tax for earlier years
- b. According to the records of the Company, there are no dues of sales tax, income tax, customs duty, wealth tax, excise duty and cess which have not been deposited on account of any dispute.
10. There are no accumulated losses at the beginning of the year, and the accumulated losses are not more than fifty percent of its net worth. The company has not incurred cash losses during the financial year covered under audit and the immediately preceding financial year .
11. Based on our audit procedures and on the information and explanations given to us, we are of the opinion that the company has not defaulted in repayment of dues to a financial institution, bank.
12. The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities, during the year under audit.
13. In our opinion, the company is not a chit fund or a nidhi mutual benefit fund/ society. Therefore, the provisions of clause 4 (xii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
14. Based on our audit procedures and on the information and explanations given to us, the company has maintained proper records of the transactions and contracts in respect of dealings or trading in shares, securities, debentures and other investments. The company timely records the transactions and the shares, securities, debentures and other securities are held by the company in its own name.
15. According to the information and explanations given to us, the company has not given guarantees for the loans taken by others from banks or financial institutions.
16. The term loans granted to the company have been applied for the purpose for which it was granted.
17. During the accounting period covered by our report, the company has repaid Long term loans, and short term loans and long term sources. The long term sources are from borrowings, sale of investments and internal accruals,
18. The company has not made preferential allotment of shares to parties and Companies covered in the register maintained under section 301 of the Companies Act, 1956 during the year .
19. The company has not issued debentures during the year. Therefore, the provisions of clause 4 (xix) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
20. The company has not made a public issue of any of its securities. Therefore, the provisions of clause 4 (xx) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
21. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For UDAYAVAR DHANESH KUMAR & ASSOCIATES
Chartered Accountants
Firm Registration No. 119401W
DHANESH KUMAR UDAYAVAR
Proprietor
Membership No. 102031

Place : Mumbai
Date : 30/5/2012

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BALANCE SHEET as at 31st March, 2012

EQUITY AND LIABILITIES		As at 31 March, 2012	As at 31 March, 2011
1 Shareholders' funds		Rs	Rs
(a) Share capital	2	33,500,000.00	33,500,000.00
(b) Reserves and surplus	3	136,873,829.95	134,196,671.84
(c) Money received against share warrants		-	-
		<hr/>	<hr/>
		170,373,829.95	167,696,671.84
2 Share application money pending allotment		-	-
3 Non-current liabilities			
(a) Long-term borrowings	4	102,677,166.24	95,971,076.94
		<hr/>	<hr/>
		102,677,166.24	95,971,076.94
4 Current liabilities			
(a) Short-term borrowings	5	-	941,630.77
(b) Trade payables	6	9,843,836.62	3,761,545.14
(c) Other current liabilities	7	33,414,483.74	40,746,915.86
(d) Short-term provisions	8	3,588,828.00	2,943,399.00
		<hr/>	<hr/>
		46,847,148.36	48,393,490.77
ASSETS			
TOTAL		<hr/>	<hr/>
		319,898,144.55	312,061,239.55
1 Non-current assets			
(a) Fixed assets/	9	2,375,690.02	2,889,860.22
(i) Tangible assets			
(b) Non-current investments	10	226,907,424.56	210,199,705.86
(c) Deferred tax assets (net)		838,592.00	692,380.00
(d) Long-term loans and advances	11	33,648,658.82	18,753,253.66
(e) Other non-current assets	12	1,173,088.00	-
		<hr/>	<hr/>
		262,567,763.38	229,645,339.52
2 Current assets			
(a) Inventories	13	43,645,830.00	37,790,125.00
(b) Trade receivables	14	6,948,280.87	36,545,026.70
(c) Cash and cash equivalents	15	2,715,155.22	3,388,300.42
(d) Short-term loans and advances	16	1,184,292.69	1,385,465.69
(e) Other current assets	17	461,132.37	417,122.00
		<hr/>	<hr/>
		54,954,691.15	79,526,039.81
TOTAL		<hr/>	<hr/>
		319,898,144.55	312,061,239.55

Notes forming part of the financial statements

Notes forming part of Accounts

As per our attached report of Even Date

For Udayavar Dhanesh Kumar & Associates
Chartered Accountants

Firm Registration No 119401W
Dhanesh Kumar Udayavar
Proprietor
Membership No. 102031

Place : Mumbai
Date : 30.05.2012

For and on behalf of the Board

Narain N. Hingorani
Chairman & Managing Director

Prem L. Vachhani
Director

Place : Mumbai
Date : 30.05.2012

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PROFIT AND LOSS ACCOUNT for the year ended 31st March, 2012

		For the year ended 31 March, 2012	For the year ended 31 March, 2011
CONTINUING OPERATIONS			
Revenue from operations (gross)	18	Rs 17,574,807.43	Rs 4,798,990.10
Less: Excise duty		-	-
Revenue from operations (net)		<u>17,574,807.43</u>	<u>4,798,990.10</u>
Other income	19	32,108,194.66	27,226,280.29
Total revenue (1+2)		<u>49,683,002.09</u>	<u>32,025,270.39</u>
Expenses			
(a) Cost of materials consumed	20.a	12,220,468.39	9,499,701.50
(b) Purchases of stock-in-trade		-	-
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	20.b	372,327.00	-5,458,674.00
(d) Employee benefits expense	21	2,136,087.00	1,617,070.00
(e) Finance costs	22	16,463,956.90	15,513,013.74
(f) Depreciation and amortisation expense	9	444,210.00	541,572.00
(g) Other expenses	23	14,865,006.69	7,888,558.86
Total expenses		<u>46,502,055.98</u>	<u>29,601,242.10</u>
Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4)		3,180,946.11	2,424,028.29
Exceptional items		-	-
Profit / (Loss) before extraordinary items and tax (5 + 6)		<u>3,180,946.11</u>	<u>2,424,028.29</u>
Extraordinary items		-	-
Profit / (Loss) before tax (7 + 8)		<u>3,180,946.11</u>	<u>2,424,028.29</u>
Tax expense:			
(a) Current tax expense for current year		650,000.00	500,000.00
(d) Net current tax expense		650,000.00	500,000.00
(e) Deferred tax Asset		<u>(146,212.00)</u>	-
Profit / (Loss) from continuing operations (9 +10)		<u>503,788.00</u>	<u>500,000.00</u>
		2,677,158.11	1,924,028.29
Earnings per share (of Rs. 10/- each):			
(a) Basic			
(b) Diluted			

Notes forming part of the financial statements

Notes forming part of Accounts
As per our attached report of Even Date

For Udayavar Dhanesh Kumar & Associates
Chartered Accountants
Firm Registration No 119401W
Dhanesh Kumar Udayavar
Proprietor
Membership No. 102031

Place : Mumbai
Date : 30.05.2012

For and on behalf of the Board
Narain N. Hingorani
Chairman & Managing Director

Prem L Vachhani
Director

Place : Mumbai
Date : 30.05.2012

(1) Significant accounting policies**(a) Basis of accounting and preparation of financial statements**

The financial statements are prepared under the historical cost convention on an accrual basis of accounting in accordance with the generally accounting principles. Accounting Standards notified under section 211 (3C) of the Companies Act, 1956 and the relevant provisions thereof.

(b) Use of estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets and liabilities and disclosures of contingent liabilities at the date of these financial liabilities and the reported amounts of revenues and expenses for the year under review. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable and in conformity with Indian GAAP. Actual results may differ from these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known or materialised. Estimates and underlying assumptions are reviewed on an ongoing basis.

(c) Inventories

Inventories of raw material are valued at the lower of cost and the net realisable value on a FIFO basis after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of manufacturing facility, including octroi and other levies. Inventories of finished goods are valued at the lower of cost and net realisable value after providing for obsolescence. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies. Net realisable value is estimated selling price in the ordinary course of business less estimated cost of completion and selling expenses.

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

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value

(e) 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.

(f) Depreciation and amortization

Depreciation has been provided on written down method as per the rates prescribed in Schedule XIV to the Companies Act, 1956.

(g) Revenue recognition**Sale of goods**

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales exclude sales tax and value added tax.

Income from Rented Properties

Income from Commercial properties rented are recognised on accrual basis and for invoices raised. Rental income is inclusive of related deducted at source but excluding service tax. Rental income of one of the property which is in dispute is not accounted for.

(h) Other Income

Interest income from Bank Fixed Deposit and other interest is accounted on accrual basis, inclusive of related tax deducted at source. Dividend income is accounted on receipt basis.

(i) Fixed assets

Fixed Assets are stated at cost of acquisition less accumulated depreciation / amortisation. Cost includes purchase price, taxes and duties and other direct costs incurred upto the date the asset is ready for its intended use.

(j) 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. Exchange differences arising out of these translations are recognised in the Statement of Profit and Loss.

(k) Investments

Long-term investments (including investment properties), 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.

(l) Impairment

At each Balance Sheet date, the Company assesses whether there is any indication that the fixed assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. Where it is not possible to estimate the recoverable amount of the individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

As per the assessment conducted by the company at March 31st., 2012, there were no indication that the fixed assets have suffered an impairment loss.

(m) Employee benefits

Employee benefits include provident fund, superannuation fund, gratuity and leave encashment.

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 are accounted on cash basis.

(n) Business Segments

The Company is engaged mainly in the business of manufacturing of garments and renting of properties. These, in context of Accounting Standard 17 on Segment Reporting, as specified in the Companies (Accounting Standard) Rules, 2006, are considered to two primary segments. Further, there is no reportable secondary segment i.e. Geographical Segment.

(o) 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.

(p) 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. Current tax is net of credit for entitlement for Minimum Alternate Tax (MAT). 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.

(q) Provisions and contingencies

The Company records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its financial statements, if material. For losses that are possible (but not probable), the Company provides disclosure in the financial statements but does not record a liability in its accounts unless the loss becomes probable.

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Note 2 : Share Capital

Particulars	As at 31 March, 2012		As at 31 March, 2011	
	No. of Shares	Rs.	No. of Shares	Rs.
(a) Authorised				
Equity shares of Rs.10 each with voting rights	7,500,000	75,000,000	7,500,000	75,000,000
(b) Issued,Subscribed but not fully paid up				
Equity shares of Rs.10 each with voting rights	3,350,000	33,500,000	3,350,000	33,500,000
Total	3,350,000	33,500,000	3,350,000	33,500,000

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

Equity shares with voting rights	Opening Balance	Fresh issue	Bonus	ESOP Conversion Buy back	Closing Balance
Year ended 31 March, 2012					
Number of shares	33,50,000	-	-	-	33,50,000
Amount (Rs. 10)	33,50,000	-	-	-	33,50,000
Year ended 31 March, 2011					
Number of shares	3,350,000	-	-	-	3,350,000
Amount (Rs. 10)	33,50,000	-	-	-	33,50,000

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

Class of shares / Name of shareholder	As at 31 March, 2012		As at 31 March, 2011	
	Number of sharesheld	% holding in that class of shares	Number of sharesheld	% holding in that class of shares
Equity shares with voting rights				
Mrs. Chandra Hingorani	796,200	23.77%	796,200	23.77%
Mrs. Kavita Hingorani	1,050,500	31.36%	1,050,500	31.36%
Mr. Narain Hingorani	450,000	13.43%	450,000	13.43%

(e) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash, bonus shares and shares bought back for the period of 5 years immediately preceding the Balance Sheet date: Rs. Nil

Equity shares with voting rights	Aggregate number of shares	
	As at 31 March, 2012	As at 31 March, 2011
Fully paid up pursuant to contract(s) without payment being received in cash	Nil	Nil
Fully paid up by way of bonus shares	Nil	Nil
Shares bought back	Nil	Nil

(f) Details of calls unpaid

Equity shares with voting rights	As at 31 March, 2012		As at 31 March, 2011	
	No. of Shares	Rs.	No. of Shares	Rs.
Aggregate of calls unpaid				
- by directors	Nil	Nil	Nil	Nil
- by officers	Nil	Nil	Nil	Nil
- by others	Nil	Nil	Nil	Nil

(g) Details of forfeited shares

Equity shares with voting rights	As at 31 March, 2012		As at 31 March, 2011	
	No. of Shares	Amt. Originally paid up Rs.	No. of Shares	Amt. Originally paid up Rs.
Equity shares with voting rights	Nil	Nil	Nil	Nil

Note 3 Reserves and surplus

	As at 31 March, 2012		As at 31 March, 2011	
		Rs.		Rs.
(a) Capital reserve				
Opening balance		8,884,058.00		8,884,058.00
Add: Additions during the year (give details)		460,324.00		-
Less: Utilised / transferred during the year (give details)				
Closing balance		9,344,382.00		9,344,382.00
(b) Export Reserve				
Opening balance		460,324.00		460,324.00
Add: Additions / transfers during the year		-		-
Less: Utilisations / transfers during the year		460,324.00		-
Closing balance		-		460,324.00
(k) Surplus / (Deficit) in Statement of Profit and Loss				
Opening balance		124,852,289.84		122,928,261.84
Add: Profit / (Loss) for the year		2,677,158.11		1,924,028.00
Closing balance		127,529,447.95		124,852,289.84
		136,873,829.95		134,196,671.84

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Note 4 Long-term borrowings		As at 31 March, 2012 Rs.	As at 31 March, 2011 Rs.
(b) Term loans			
From banks			
Secured		102,677,166	95,971,077
Unsecured			
Total		<u>102,677,166</u>	<u>95,971,077</u>
(e) Details of terms of repayment for the other long-term borrowings and security provided in respect of the secured other long-term borrowings:			
Security		As at 31 March, 2012 Secured Rs	As at 31 March, 2011 Secured Rs
Term loans from banks:			
Loans are secured against immovable property of the Company & against assignment of receivable. The promoters of the Company has given personal guarantee.			
HDFC Bank Ltd.		20,651,384.44	26,754,396.44
ICICI Bank Ltd.		82,025,781.80	69,216,680.50
Total - Term loans from banks		102,677,166.24	95,971,076.94
Note 5 Short-term borrowings			
Loans and advances from related			
Unsecured		-	941,630.77
		-	<u>941,630.77</u>
		-	<u>941,630.77</u>
Note 6 Trade payables			
Trade payables:			
Acceptances		-	-
Other than Acceptances		9,843,837	37,61,545
		9,843,837	37,61,545
Note 7 Other current liabilities			
		As at 31 March, 2012 Rs	As at 31 March, 2011 Rs
(a) Current maturities of long-term debt (Refer Note (l) below)		17,525,978.00	24,809,240.79
(b) Interest accrued but not due on borrowings		929,750.00	827,165.00
(c) Interest accrued and due on borrowings		146,666.45	24,086.00
(d) Other payables			
(i) Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, VAT, Service Tax, etc.)		273,360.47	779,624.00
(ii) Trade / security deposits received		13,955,190.00	13,834,440.00
(iii) Advances from customers		119,528.00	-
(iv) Others - Expenses		464,010.82	427,360.07
		<u>33,414,483.74</u>	<u>40,746,915.86</u>
Note (l): Current maturities of long-term debt (Refer Note 4 - Long-term borrowings for details of security and guarantee):			
(b) Term loans			
From banks			
Secured		17,525,978.00	24,809,240.79
Unsecured		-	-
		17,525,978.00	24,809,240.79
		17,525,978.00	24,809,240.79
Note 8 Short-term provisions			
(a) Provision for employee benefits:			
(i) Provision for bonus		40,041.00	28,512.00
(ii) Provision for compensated absences		38,787.00	54,887.00
		78,828.00	83,399.00
(b) Provision - Others:			
(i) Provision for tax (net of advance tax Rs. Nil (As at 31 March, 2011 Rs. Nil))		3,510,000.00	2,860,000.00
(ii) Provision - others (give details)		-	-
		3,510,000.00	2,860,000.00
		3,588,828.00	2,943,399.00

Note 9 Fixed assets

Tangible assets	Gross block					Depreciation					Net Block	
	Cost as at 1 April, 2011	Additions	Disposals	Other adjustments	Cost as at 31 March, 2012	As at 1 April, 2011	Additions	Disposals	Other adjustments	As at 31 March, 2012	As at 31 March, 2012	As at 31 March, 2012
(b) Buildings	719,920 (7,19,920)	-	-	-719,920	(7,19,920)	562,382.00 (5,44,384)	(17,504)	-	-562,388.00	(5,62,388)	-	(1,57,532)
(c) Plant and Equipment	6,142,670 (61,42,670)	-	-	-	6,142,670 (61,42,670)	3,835,281.00 (34,62,463)	320,956.09 (3,72,818)	-	-	4,156,237 (38,35,281)	-	1,986,433 (23,07,889)
(d) Furniture and Fixtures	348,524 (3,48,524)	-	-	-	348,524 (3,48,524)	304,363.78 (2,95,044.78)	7,631.00 (9,319)	-	-	311,995 (3,04,354)	-	34,529 (42,160)
(e) Vehicles	2,315,547 (23,15,547)	-	-	-	2,315,547 (23,15,547)	1,973,343.00 (18,53,796)	88,596.00 (119,547)	-	-	2,061,939 (18,73,343)	-	253,608 (3,42,204)
(f) Office equipment	608,080 (6,08,330)	87,572 (19,750)	-	-	695,652 (6,08,080)	567,505.00 (5,45,121)	27,027 (19,750)	-	-	594,532 (5,67,505)	-	101,120 (40,575)
Total	10,132,741 (1,01,12,991)	87,572 (19,750)	-	-719,920	9,500,393 (1,01,12,991)	7,242,881 (67,01,383)	444,210 (5,41,572)	-	-562,388	7,124,703 (72,42,880)	-	2,375,690 (28,89,860)

Note 10 Non-current investments

Tangible assets	As at 31 March, 2011			As at 31 March, 2012			Total
	Quoted	Unquoted	Total	Quoted	Unquoted	Total	
Investments (At cost):							
A. Trade							
(a) Investment in equity instruments (give details separately for fully / partly paid up instruments)							
(i) of associates	781,441.50	28,560,000.00	29,341,441.50	781,441.50	28,560,000.00	29,341,441.50	1,85,60,000.00
(ii) of other entities (Refer note blow)	781,441.50	12,500,000.00	13,281,441.50	781,441.50	12,500,000.00	13,281,441.50	67,31,254.80
(b) Investment in preference shares (give details separately for fully / partly paid up shares)		41,060,000.00	41,841,441.50		41,060,000.00	41,841,441.50	25,291,255
(i) of associates		5,000,000.00	5,000,000.00		5,000,000.00	5,000,000.00	5,000,000.00
B. Other investments							
(a) Investment property							
Commercial Properties (Rented) - At Cost	781,441.50	5,000,000.00	5,781,441.50	781,441.50	5,000,000.00	5,781,441.50	5,000,000.00
Total - Other investments (B)	781,441.50	46,060,000.00	46,841,441.50	781,441.50	46,060,000.00	46,841,441.50	30,291,254.80
Less: Provision for diminution in value of investments		226,125,933	226,907,429		226,125,933	226,907,429	210,199,708
Aggregate amount of quoted investments	781,441.50		781,441.50			781,441.50	226,907,424.56
Aggregate market value of listed and quoted investments	2,023,731.00		2,023,731.00			2,023,731.00	1,231,254.80
Aggregate value of listed but not quoted investments	41,060,000.00		41,060,000.00			41,060,000.00	3,023,012.50
Aggregate amount of unquoted investments	46,060,000.00		46,060,000.00			46,060,000.00	24,060,000.00

Details of investment in Quoted Equity (Fully paid up)

As at 31 March, 2012

As at 31 March, 2011

	Name	Qty	Face value per share	Cost	Market Value	Qty	Face value per share	Cost	Market Value
1	Aditya Bira Nova Ltd.	100	10.00	195,233.00	94,460.00	100	10.00	195,233.00	81,435.00
2	Alok Industries Ltd.	3,500	10.00	97,190.00	68,775.00	3,500	10.00	97,190.00	77,525.00
3	Arvind Mills Ltd.	-	-	-	-	1,000	10.00	48,490.00	69,200.00
4	Crompton Greaves Ltd.	150	2.00	-	20,715.00	150	2.00	-	40,912.50
5	Denso India Ltd.	800	10.00	10,560.00	43,200.00	800	10.00	10,560.00	54,760.00
6	Esab India Ltd.	-	-	-	-	100	10.00	4,110.00	48,410.00
7	Gillette India Ltd.	100	10.00	35,585.00	251,980.00	150	10.00	53,376.75	268,147.50
8	Glaxo Smithkline Pharma Ltd.	100	10.00	61,394.00	231,655.00	100	10.00	61,394.00	206,295.00
9	IDBI Ltd.	1,000	10.00	111,100.00	104,700.00	1,000	10.00	111,100.00	142,450.00
10	India Cements Ltd.	-	-	-	-	500	10.00	100,974.55	47,800.00
11	M & M Ltd.	400	5.00	125,644.00	280,080.00	1,000	5.00	314,110.00	700,350.00
12	Morepan Laboratories Ltd.	3,600	2.00	114,490.00	11,160.00	3,600	2.00	114,490.00	19,260.00
13	Novartis India Ltd.	100	2.00	26,365.00	76,975.00	100	2.00	26,365.00	64,980.00
14	Pidilite Industries Ltd.	3,000	1.00	-	530,700.00	4,000	1.00	-	598,600.00
15	Shree Renuka Sugar Ltd.	2,000	1.00	3,880.50	63,101.00	2,000	1.00	3,880.50	139,200.00
16	Tata Global Beverages Ltd.	-	-	-	-	1,000	1.00	88,981.00	97,750.00
17	Sterilite Technologies Ltd.	6,250	2.00	-	246,250.00	6,250	2.00	-	365,937.50
		21,100		781,441.50	2,023,731.00	25,350		1,231,254.80	3,023,012.50

Details of investment in Unquoted Equity Shares (Fully paid up)

As at 31 March, 2012

As at 31 March, 2011

	Name	Qty	Face value per share	Cost	Paid up per share	Qty	Face value per share	Cost	Paid up per share
	Others								
	Shilpa Inpat Ltd.	100,000	10.00	1,000,000.00	10.00	100,000	10.00	1,000,000.00	10.00
	Singhania India Ltd.	70,000	10.00	3,500,000.00	10.00	70,000	10.00	3,500,000.00	10.00
	Singhania Coal Pvt. Ltd.	10,000	10.00	2,000,000.00	10.00	-	-	-	-
	Shilpa Inpat Pvt. Ltd.	5,000	10.00	1,000,000.00	10.00	5,000	10.00	1,000,000.00	10.00
		<u>185,000</u>		<u>7,800,000.00</u>		<u>175,000</u>		<u>5,500,000.00</u>	
	Associate Companies								
	Nikhil Properties & Estates Pvt. Ltd.	258,000	10.00	6,660,000.00	10.00	258,000	10.00	6,660,000.00	10.00
	Viking Advanced Technologies Pvt. Ltd.	70,000	10.00	11,800,000.00	10.00	70,000	10.00	11,800,000.00	10.00
		<u>328,000</u>		<u>18,560,000.00</u>		<u>328,000</u>		<u>18,560,000.00</u>	
	Details of investment in Unquoted Equity Shares (Partly paid up)								
	Others								
	Anticoll Paper Mills Pvt. Ltd.	50,000	10.00	5,000,000.00	5.00	-	-	-	-
		<u>50,000</u>		<u>5,000,000.00</u>					
	Associate Companies								
	Viking Advanced Technologies Pvt. Ltd.	200,000	10.00	10,000,000.00	5.00	-	-	-	-
		<u>200,000</u>		<u>10,000,000.00</u>					
	Details of investment in Unquoted Preference Shares (Fully paid up)								
	Associate Companies								
	Ceenik Enterprises Ltd. (9% Pref shares)	500,000	10.00	5,000,000.00	10.00	500,000	10.00	5,000,000.00	10.00
		<u>500,000</u>		<u>5,000,000.00</u>		<u>500,000</u>		<u>5,000,000.00</u>	

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Note 11 Long-term loans and advances

	As at 31 March, 2012	As at 31 March, 2011
	Rs	Rs
(a) Security deposits		
Secured, considered good	-	-
Unsecured, considered good	5,495,791.00	5,472,111.00
Doubtful	-	-
	<hr/>	<hr/>
Less: Provision for doubtful deposits	5,495,791.00	5,472,111.00
	<hr/>	<hr/>
(b) Advance income tax # (net of provisions Rs. Nil (As at 31 March, 2011 Rs. Nil) - Unsecured, considered good	65,60,867.82	4,947,142.66
(c) Other loans and advances (specify nature)		
Secured, considered good	-	-
Unsecured, considered good	21,592,000.00	8,307,000.00
Doubtful	-	-
	<hr/>	<hr/>
Less: Provision for other doubtful loans and advances	21,592,000.00	8,307,000.00
	<hr/>	<hr/>
	33,648,658.82	18,753,253.66

Note: Long-term loans and advances include amounts due from:

	As at 31 March, 2012	As at 31 March, 2011
	Rs	Rs
Directors *	-	-
Other officers of the Company *	-	-
Firms in which any director is a partner (give details per firm)	-	-
Private companies in which any director is a director or member		
Viking Adadvanced Technologies Pvt.Ltd.	5,000,000.00	5,000,000.00
	5,000,000.00	5,000,000.00

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Particulars	As at 31 March, 2012 Rs.	As at 31 March, 2011 Rs.
Note 12: Other non-Current Assets		
(A) Accruals		
(i) Interest accrued on deposits	1,173,088	-
(ii) Interest accrued on investments	-	-
(iii) Interest accrued on trade receivables	-	-
Total	1,173,088	-

Note 13: Inventories (At lower of cost and net realisable value)		
Particulars	As at 31 March, 2012 Rs.	As at 31 March, 2011 Rs.
(A) Raw materials	28,537,203	22,309,171
(b) Finished goods (other than those acquired for trading)	15,108,627	15,480,954
Total	43,645,830	37,790,125

Note 14: Trade receivables		
Particulars	As at 31 March, 2012 Rs.	As at 31 March, 2011 Rs.
Trade receivables outstanding for a period exceeding 12 months from the date they were due for payment		
Secured, considered good	575,548.00	32,729,580.70
Unsecured, considered good (Refer Note 25 (ii))	1,406,383.00	1,406,383.00
Doubtful	-	-
	1,981,931.00	34,135,963.70
Less: Provision for doubtful trade receivables	-	-
	1,981,931.00	34,135,963.70
Other Trade receivables		
Secured, considered good	4,966,349.87	2,409,063.00
Unsecured, considered good	-	-
Doubtful	-	-
Less: Provision for doubtful trade receivables	4,966,349.87	2,409,063.00
	-	-
	4,966,349.87	2,409,063.00
Total	6,948,280.87	36,545,026.70

Note 15: Cash and cash equivalents		
Particulars	As at 31 March, 2012 Rs	As at 31 March, 2011 Rs
(a) Cash on hand	327,824.65	810,391.65
(b) Balances with banks		
(i) In current accounts	1,648,008.09	443,286.84
(ii) In EEFC accounts	3,349.09	2,878.54
(iii) In deposit accounts (Refer Note (i) below)	631,743.39	631,743.39
(iv) In earmarked accounts		
- Share application money received for allotment of securities and due for refund	-	1,500,000.00
(c) Other (Stamp Paper)	61,230.00	3,388,300.42
Total	2,715,155.22	3,388,300.42

Of the above, the balances that meet the definition of cash and cash equivalents as per As 3 Cash Flow Statement are as follows:

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Note 16 Short-term loans and advances

	As at 31 March, 2012	As at 31 March, 2011
	Rs	Rs
(a) Security deposits		
Secured, considered good	100,000.00	-
Unsecured, considered good	-	-
Doubtful	-	-
	<hr/>	<hr/>
	100,000.00	-
Less: Provision for doubtful deposits	-	-
	<hr/>	<hr/>
	100,000.00	-
(b) Loans and advances to employees		
Secured, considered good	-	-
Unsecured, considered good	21,170.00	7,650.00
Doubtful	-	-
	<hr/>	<hr/>
	21,170.00	7,650.00
Less: Provision for doubtful loans and advances	-	-
	<hr/>	<hr/>
	21,170.00	7,650.00
(c) Prepaid expenses - Unsecured, considered good (For e.g. Insurance premium, Annual maintenance contracts, etc.)	118,197.00	8,277.00
(d) Balances with government authorities		
Unsecured, considered good		
(i) VAT credit receivable	529,403.47	528,016.47
	<hr/>	<hr/>
	529,403.47	528,016.47
(e) Others (Receivable in kind)		
Secured, considered good	-	-
Unsecured, considered good	415,522.22	841,522.22
Doubtful	-	-
	<hr/>	<hr/>
	415,522.22	841,522.22
Less: Provision for other doubtful loans and advances	-	-
	<hr/>	<hr/>
	415,522.22	841,522.22
Total	<hr/> 1,184,292.69	<hr/> 1,385,465.69

Note 17 Other current assets

	As at 31 March, 2012	As at 31 March, 2011
	Rs	Rs
(a) Accruals		
(i) Interest accrued on deposits	68,612.37	24,602.00
(d) Others		
(i) Duty Drawback receivable	392,520.00	392,520.00
Total	<hr/> 461,132.37	<hr/> 417,122.00

Note 18 Revenue from operations

	As at 31 March, 2012	As at 31 March, 2011
	Rs	Rs
(a) Sale of products (Refer Note (i) below)	17,036,844.83	4,774,230.10
(b) Sale of services (Refer Note (ii) below)	483,345.60	-
(c) Other operating revenues (Refer Note (iii) below)	54,617.00	24,760.00
	<hr/>	<hr/>
	17,574,807.43	4,798,990.10
Less:		
(d) Excise duty	-	-
	<hr/>	<hr/>
	17,574,807.43	4,798,990.10

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Sale of products comprises :

Manufactured goods

Garments	7,872,563.20	2,820,535.00
Fabric	9,164,281.63	1,953,695.10
Total-Sale of manufactured goods	17,036,844.83	4,774,230.10

Traded goods

Total-Sale of traded goods	-	-
Total-Sale of Products	17,036,844.83	4,774,230.10

Sale of services comprises :

Job Work	483,345.60	-
Total-sale of services	483,345.60	-

Other operating revenues # comprise:

Others (Discount - Purchases)	54,617.00	24,760.00
Total-Other operating revenues	54,617.00	24,760.00

Note 19 Other income

	For the Year Ended 31 March, 2012 Rs	For the Year Ended 31 March, 2011 Rs
(a) Interest income (Refer Note (i) below)	1,650,680.53	30,342.66
(b) Dividend income:		
others	40,790.00	39,090.00
(c) Net gain on sale of:		
long-term investments	541,282.70	1,014,492.03
(d) Net gain on foreign currency transactions and translation (other than considered as finance cost)	1,876,663.55	229,702.60
(f) Other non-operating income (Refer Note (ii) below)	27,998,777.88	25,912,653.00
Total	32,108,194.66	27,226,280.29

	For the Year Ended 31 March, 2012 Rs	For the Year Ended 31 March, 2011 Rs
(i) Interest income comprises:		
Interest from banks on:		
deposits	48,900.53	30,342.66
Interest on loans and advances	1,601,780.00	-
Total-Interest income	1,650,680.53	30,342.66
(ii) Other non-operating income comprises:		
Rental income from investment properties (Refer Note 25(i))	27,926,759.00	25,912,653.00
Liabilities / provisions no longer required written back	72,018.88	-
Total-Other non-operating income	27,998,777.88	25,912,653.00

(ii) Details of Prior period items (net)

Prior period income (give details)	-	-
Prior period expenses (give details)	-	-

Note 20a Cost of materials consumed

	As at 31 March, 2012	As at 31 March, 2011
Opening stock	22,309,171.00	17,687,986.00
Add: Purchases	18,448,500.39	14,120,886.50
	40,757,671.39	31,808,872.50
Less: Closing stock	28,537,203.00	22,306,171.00
Cost of material consumed	12,220,468.39	9,499,701.50

Material consumed comprises:

Fabric & Yarn	10,151,543.18	8,931,333.00
Dyeing, Tailoring & Packing Material	1,852,215.75	294,425.00
Cost incidental to purchase of Raw Materials	2,16,709.46	273,943.50

Total	12,220,468.39	9,499,701.50
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Note 20b Changes in Inventories of finished goods	As at 31 March, 2012	As at 31 March, 2011
<u>Inventories at the end of the year:</u>		
Finished goods	15,108,627.00	15,480,954.00
	15,108,627.00	15,480,954.00
<u>Inventories at the beginning of the year:</u>		
Finished goods	15,480,954.00	10,022,280.00
	15,480,954.00	10,022,280.00
Total	372,327.00	(5,458,674.00)
Note 21: Employee benefits expense	As at 31 March, 2012	As at 31 March, 2011
Salaries and wages	1,956,404.00	1,376,916.00
Contributions to provident and other funds (Refer Note 24.11)	170,783.00	152,670.00
Staff welfare expenses	8,900.00	87,484.00
Total	2,136,087.00	1,617,070.00
Note 22: Finance costs	As at 31 March, 2012	As at 31 March, 2011
(a) Interest expense on:	15,522,953.80	15,135,551.86
(i) Borrowings		
(ii) Others		
- Others on Unsecured Loans	125,783.00	120,331.00
(b) Other borrowing costs	815,220.10	257,130.88
Total	16,463,956.90	15,513,013.74
Note 23 Other expenses	As at 31 March, 2012	As at 31 March, 2011
Subcontracting	4,684,190.00	4,841,440.00
Rent including lease rentals	114,000.00	-
Repairs and maintenance - Buildings	489,064.00	66,898.00
Repairs and maintenance - Machinery	48,225.90	44,619.00
Insurance	126,614.22	264,753.00
Rates and taxes	991,117.00	13,208.00
Communication	42,208.00	36,257.00
Travelling and conveyance	164,840.40	342,367.36
Printing and stationery	76,138.26	30,424.59
Freight and forwarding	163,552.02	82,342.00
Sales discount	29,124.00	
Business promotion	325,080.01	387,675.11
Donations and contributions	3,000.00	-
Legal and professional	542,917.00	693,231.25
Payments to auditors (refer Note (I) below)	529,250.00	149,420.00
Bad Debts for trade receivables (Refer Note 25 (II))	6,167,874.15	834,264.55
Prior period items (net) (Refer Note (II) below)	79,146.55	-
Miscellaneous expenses	288,666.08	101,659.00
Total	14,865,006.69	7,888,558.86

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Note 24: Additional information to the financial statements

Particulars	As at 31 March, 2012 Rs.	As at 31 March, 2011 Rs.
Note 24.1 Contingent liabilities and commitments (to the extent not provided for)		
(I) Contingent liabilities		
(a) claims against the Company not acknowledges as debt	-	-
(b) Guarantees	-	-
(c) Other money for which the Company is contingently liable (give details)	-	-
(II) Commitments		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for		
Tangible assets		
Intangible assets		
(b) Uncalled liability on shares and other investments partly paid	15,000,000.00	-
(c) Other commitments (specify nature)		
	15,000,000.00	-

Note 24.2 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

(i) Principal amount remaining unpaid to any supplier as at the end accounting year	-	-
(ii) Interest due thereon remaining unpaid to any supplier as at the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

The Company has not identified parties as per definition of Micro and Small Enterprises Act.

Note 24.3 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 others and investment in shares of the Company by such parties:

Name of the party	Relationship	Amount outstanding as at 31 March, 2012	Maximum balance outstanding during the year
Investments			
Ceenik Enterprises Ltd.	Associate Company	5,000,000 (50,00,000)	5,000,000 (50,00,000)
Niklin Properties & Estates Pvt. Ltd.	Associate Company	6,660,000 (6,660,000)	6,660,000 (6,660,000)
Viking Advanced Technologies Pvt. Ltd.	Associate Company	11,900,000 (11,900,000)	11,900,000 (11,900,000)
Viking Advanced Technologies Pvt. Ltd. (Partly paid shares)	Associate Company	10,000,000 (Nil)	10,000,000 (Nil)

Note: Figures in bracket relate to the previous year.

Note 24.4 Details on unhedged foreign currency exposures

II. The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

As at 31 March, 2012		As at 31 March, 2011	
Receivable/ (payable) Rs.	Receivable (payable) in Foreign currency (Indicate amount with currency)	Receivable (payable) Rs.	Receivable (payable) in Foreign currency (Indicate amount with currency)
Receivable	USD 12360.96	Receivable/	USD 7,40,858.14

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	For the Year Ended 31 March, 2012	For the Year Ended 31 March, 2011
	Rs	Rs
Note : 24.5 Value of imports calculated on cif basis	Nil	Nil
Note : 24.6 Expenditure in foreign currency	Nil	Nil
Note : 24.7 Earnings in foreign exchange	Nil	Nil
Note : 24.8 Amounts remitted in foreign currency during the year on account of dividend	Nil	Nil
Note : 24.9 Details of Consumption of Imported and Indigenous Items		
Imported		
Raw materials	Nil	Nil%
	(Nil)	(Nil%)
Components	Nil	Nil%
	(Nil)	(Nil%)
Spare parts	Nil	Nil%
	(Nil)	(Nil%)
	Nil%	Nil%
	(Nil%)	(Nil%)
Indigenous		
Raw materials	12,220,468.39	100%
	(94,99,701.50)	(100%)
Total	12,220,468.39	100%
	(94,99,701.50)	(100%)

Note: Figures / percentages in brackets relates to the previous year

Note : 24.10 Employee benefit plans

Note : 24.10a Defined contribution Plans

The Company makes Provident Fund and Superannuation Fund contributions to defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs. 65,827/- (Year ended 31 March, 2011 Rs. 67,968/-) for Provident Fund contributions and Rs. 37,488/- (Year ended 31 March, 2011 Rs. 28,076/-) for Superannuation Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

Note : 24.10b Defined benefit Plans

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

i. Gratuity

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

Particulars	Year ended 31 March, 2012	Year ended 31 March, 2011
	Gratuity	Gratuity
Components of employer expense		
Current service cost	79,104.00	-
Total expense recognized in the Statement of Profit and Loss	79,104.00	-
Note :		
(i) Payments to the auditors comprises (net of service tax input credit, where applicable):		
As auditors - statutory audit (include fees for previous year)	400,775.00	-
Far taxation matters	33,090.00	-
For other services (include fees for previous year)	68,938.00	149,420.00
Reimbursement of expenses	26,447.00	-
Total	529,250.00	149,420.00
(ii) Details of Prior period items (net)		
Prior period expenses (Repairs & Maintenance - Building)	393,612.00	-
Prior period income (interest on Post Credit Shipment)	314,465.45	-
Total	79,146.55	-

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Note 24.11 Segment information

The Company has identified business segments as its primary segment, and there is no secondary segment. Business segments are primarily Garments Manufacturing and Investment In Realty & Securities, revenues and expenses directly attributable to segment are reported under each reportable segment. Expenses which are not directly identifiable to each reportable segment have been allocated on the basis of associated revenues of the segment and manpower efforts. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable. Fixed assets that are used interchangeably amongst segments are not allocated to primary and secondary segments.

Particulars	For the year ended 31 March 2012		
	Business segments		
	Garments Rs.	Realty & Investments Rs	Total Rs.
Revenue	19538953	30142243	49682196
	5040352	28884618	32025270
Inter-segment revenue	0	0	0
	0	0	0
Total	19538953	30142243	49682196
	5040352	28884618	32025270
Segment result	-8917872	18322354	9404482
	5406584	13308411	7902077
Unallocable expenses (net)			8224781
			5478048
Operating income			3179701
			2424028
Other income (net)			0
			0
Profit before taxes			3179701
			2424028
Tax expenses			503788
			500000
Net profit for the year			2675913
			1824028
Segment assets	99793596	219265956	319059552
	96808198	214560662	311368860
Unallocable assets			838592
			692380
Total assets			319898144
			312061240
Segment Liabilities	72044397	77475956	149520353
	32989253	111375315	144364568
Unallocable Liabilities			0
Total Liabilities			149520353
			144364568
Other Information			
Capital expenditure (allocable)	0	0	0
Capital expenditure (unallocable)			0
Depreciation and amortisation (allocable)	0	0	0
Depreciation and amortisation (unallocable)			0
Other significant non-cash expenses(allocable)(give details)	0	0	0
Other significant non-cash expenses(unallocable)			0

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Note 24.12a Related party Transaction

Details of related parties:

Description of relationship	Particulars Names of related parties
Associates	Nikdin Properties Estate Pvt. Ltd., Viking Advanced Technologies Pvt. Ltd.
Key Management Personal (KMP)	Mr. Narain Hingorani - Managing Director (Prop. Of M/s Ceenik Fashion) Shareholder
Relatives of KMP	Mrs. Kavita Hingorani (Prop. Of M/s September Fashion), Shareholder, Wife of KMP
Relatives of KMP	Mrs. Chandra Hingorani (Prop. Of M/s. International Export Corporation), Shareholder, mother of KMP

Note: Related parties have been identified by the Management.

Details of related party transactions during the year ended 31 March, 2012 and balances outstanding as at 31 March, 2012

Note 24.12b Related party Transaction	Associates	KMP	Relatives of KMP	Rs.
Rendering of services	3,936,621 (47,62,000)	570,000 (4,80,000)	111,270 (1,11,273)	4,617,891 (53,53,273)
Reimbursement of Expenses / Payment on our behalf	89,299 (Nil)	832,877 (2,99,939)	1,631,881 (66,570)	2,554,057 (3,66,509)
Finance (including loans and equity contributions in cash or in kind)	500,000 (28,40,000)	2,810,000 (17,70,575)	3,075,000 (32,82,570)	6,385,000 (78,93,145)
Write off / write back made during the year	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
Balances outstanding at the end of the year				
Borrowings	4,734 (Nil)	31,023 (2,52,073)	110,911 (7,16,558)	146,668 (9,68,631)
Receivables / Payable	3,497,841 (25,23,000)	Nil (Nil)	Nil (Nil)	3,497,841 (25,23,000)

Note: Figures in bracket relates to the previous year

Particulars	For the Year Ended 31 March, 2012 Rs	For the Year Ended 31 March, 2012 Rs
Note 24.13		
Earnings per share		
Basic		
Continuing operations		
Net profit / (loss) for the year	3,180,946	2,424,028
Less: Preference dividend and tax thereon	-	-
Net profit / (loss) for the year attributable to the equity shareholders	3,180,946	2,242,028
Weighted average number of equity shares	3,350,000	3,350,000
Par value per share	10	10
Earnings per share from continuing operations - Basic	0.95	0.72

Note 24.14

Deferred tax (liability) / asset

Tax effect of items constituting deferred tax liability		
On difference between book balance and tax balance of fixed asset	170,263.20	316,475.00
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	170,263.20	316,475.00

Tax effect of items constituting deferred tax assets

Provision for compensated absences, gratuity and other employee benefits		
Provision for doubtful debts / Advances		
Disallowances under Section 40(a)(i), 43B of the Income Tax Act, 1961		
On difference between book balance and tax balance of fixed assets		
Unabsorbed depreciation carried forward	1,008,855.00	1,008,855.00
Brought forward business losses		
On items included in Reserves and surplus pending amortisation into the Statement of Profit and Loss		
Others		
Tax effect of items constituting deferred tax assets	1,008,855.00	1,008,855.00

Net deferred tax (liability) / asset	838,591.80	692,380.00
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The Company has recognised deferred tax asset on unabsorbed depreciation to the extent of the corresponding deferred tax liability on the difference between the book balance and the written down value of fixed assets under Income Tax (or) The Company has recognised deferred tax asset on unabsorbed depreciation and brought forward business losses based on the Management's estimates of future profits considering the non-cancellable customer orders received by the Company.

Note 25 Other Notes

- (i) Rental income from one of the parties are not recorded, Since the Company is in dispute and is before the Court
- (ii) Amount of Rs. 61,67,874.15 receivable from an overseas party is written off as bad debts and for which have closed the GR against those invoices.
- (iii) Amount of Rs. 14,06,383/- receivable from an overseas party is classified as unsecured but considered goods the Company has filed a suit.

Note 26 Previous year's figures

The revised Schedule VI has become effective from 1 April, 2011 for the preparation of financial statements. This has significantly impacted the disclosure and presentation made in the financial statements. Previous year's figures have been regrouped / reclassified wherever necessary to Correspond with the current year's classification / disclosure.

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Coenik Exports (India) Limited

Cash Flow Statement for the year ended 31 March, 2012

Particulars	For the year ended 31 March, 2012		For the year ended 31 March, 2011	
	Rs	Rs	Rs	Rs
A. Cash Flow from operating activities				
Net Profit / (Loss) before extraordinary items and tax		3,180,946.11		2,424,026.29
Adjustments for:				
Depreciation and amortisation	444,210.00		541,572.00	
Interest Income	-1,650,680.53		-30,342.66	
Dividend Income	-40,790.00		-39,090.00	
Net (gain) / loss on sale of investments	-541,282.70		-1,014,492.03	
Rental income from investment properties	-27,928,759.00		-25,912,653.00	
		<u>-29,715,302.23</u>		<u>-26,455,005.69</u>
Operating profit / (loss) before working capital changes		-26,534,356.12		-24,030,977.40
Changes in working capital:				
Adjustments for (increase) / decrease in operating assets:				
Inventories				
Trade receivables	-5,855,705.00		-10,079,859.00	
Short-term loans and advances	29,596,745.83		23,510,372.00	
Long-term loans and advances	201,173.00		-	
Other current assets	-1,610,405.16		-4,352,695.87	
Other non-current assets	-44,010.37		-	
Other non-current liabilities	-1,173,088.00		-	
Adjustments for increase / (decrease) in operating liabilities:				
Trade payables	6,082,291.48		2,234,271.00	
Other current liabilities	-49,169.33		-	
Short-term provisions	645,429.00		500,000.00	
		<u>27,793,261.45</u>		<u>11,812,068.13</u>
Cash generated from operations		1,258,905.33		-12,218,889.27
Net income tax (paid) / refunds		650,000.00		500,000.00
Net cash flow from / (used in) operating activities (A)		<u>608,905.33</u>		<u>-12,718,889.27</u>
B. Cash flow from investing activities				
Capital expenditure on fixed assets, including capital advances	-87,571.80		-19,750.00	
Purchase of long-term investments	-10,000,000.00		-	
- Associates	-7,000,000.00		-	
- Others	-3,000,000.00		2,864,492.03	
Proceeds from sale of long-term investments	991,096.00		-	
Loans given	-13,285,000.00		-	
Interest received	1,650,80.53		30,342.66	
Dividend received	40,790.00		39,090.00	
Rental income from investment properties	27,928,759.00		25,912,653.00	
		<u>236,753.73</u>		<u>28,826,827.69</u>
Net cash flow from / (used in) investing activities (B)		<u>236,753.73</u>		<u>28,826,827.69</u>
C. Cash flow from financing activities				
Proceeds from long-term borrowings	25,763,085.00		-	
Repayment of long-term borrowings	-26,340,258.49		-14,818,724.00	
Repayment of other short-term borrowings	-941,630.77		-	
		<u>-1,518,804.26</u>		<u>-14,818,724.00</u>
Net cash flow from / (used in) financing activities (C)		<u>-1,518,804.26</u>		<u>-14,818,724.00</u>
Net increase / (decrease) in cash and cash equivalents (A+B+C)		-673,145.20		1,289,214.42
Cash and cash equivalents at the beginning of the year		<u>3,388,300.42</u>		<u>2,099,086.00</u>
Cash and cash equivalents at the end of the year		<u>2,715,155.22</u>		<u>3,388,300.42</u>

Notes forming part of the financial statements

As per our attached Report of even date

For Udayavar Dhanesh Kumar & Associates
Chartered Accountants (FRN : 119401W)

Dhanesh Kumar Udayavar
Proprietor

Place : Mumbai
Date : 30.05.2012

For and on behalf of the Board

Narain N. Hingorani
Chairman & Managing Director

Prem L. Vachhani
Director

Place : Mumbai
Date : 30.05.2012

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CEENIK EXPORTS (INDIA) LIMITED

Registered Office : 10-A, Jeevan Jagruti C.H.S. Ltd., Dr. Ambedkar Road, Bandra(W), Mumbai-50

PROXY FORM

I/We _____
of _____
in the district of _____ being a member / members
of the above named Comp any, hereby appoint _____
of _____ in the
district of _____ or failing him / her
_____ of _____
_____ in the district of _____

as my/our Proxy to vote for me/us on my/our behalf at the Seventeenth Annual General Meeting of the Company to be held on Saturday, 29th September, 2012 at 11a.m. B-14, Jeevan Satyakam C.H.S. Ltd., Dr. Ambedkar Raod, Bandra(W), Mumbai - 400 050.

Signed this _____ day of _____ 2012

Membership Folio No. _____

No. of Shares held _____

Witness _____

1.00 Rupee
Revenue
Stamp

Note :

- a. Revenue stamp of 1.00 rupee is to be affixed on this form.
- b. The form should be signed across the stamp as per specimen signature registered with the Comp any.
- c. The Companies Act, 1956 lays down that an instrument appointing a Proxy shall be deposited at the Registered Office of the Company not less than Forty-Eight Hours before the time fixed for the meeting.
- d. A Proxy need not be the member.

CEENIK EXPORTS (INDIA) LIMITED

Registered Office : 10-A, Jeevan Jagruti C.H.S. Ltd., Dr. Ambedkar Raod, Bandra(W), Mumbai - 400 050.

ATTENDANCE SLIP

To be handled over at the entrance of meeting Hall

EIGHTEENTH ANNUAL GENERAL MEETING of the Shareholders held on Saturday, 29th September, 2012 at 11.00 a.m. at B-14, Jeevan Satyakam C.H.S. Ltd., Dr. Ambedkar Raod, Bandra(W), Mumbai - 400 050.

Name of the Shareholder _____

(in Block Letter)

Membership Folio No. _____

No. of Equity Shares held _____

(in Block Letter)

Name of the Proxy (if you are attending as a proxy) _____

Signature of the shareholder / Proxy _____

If undelivered please return to :
UNIVERSAL CAPITAL SECURITIES PVT. Ltd.
Unit : CEENIK EXPORTS (INDIA) LIMITED
21, SHAKIL NIWAS, MAHAKALI CAVES ROAD,
ANDHERI (E), MUMBAI - 400 093.