

GALA PRINTCITY LTD.

B-1, LAXMI COMM. CO. OP. ESTATE,
B/H Old NAVNEET PRESS, SUKHRAMNAGAR,
AHMEDABAD – 380021

4th ANNUAL REPORT

ACCOUNTING YEAR – 2013-14

AUDITORS

PRANAV U. SHAH & CO.
CHARTERED ACCOUNTANTS
T-1, RAJNI SMRUTI SOCIETY,
NEAR ATIRA,
AMBAWADI,
AHMEDABAD – 380015
PH. NO. 9825690401
PAN : AUNPS2324L



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Independent Auditor's Report

To the Members of
Gala Print City Limited
Ahmedabad

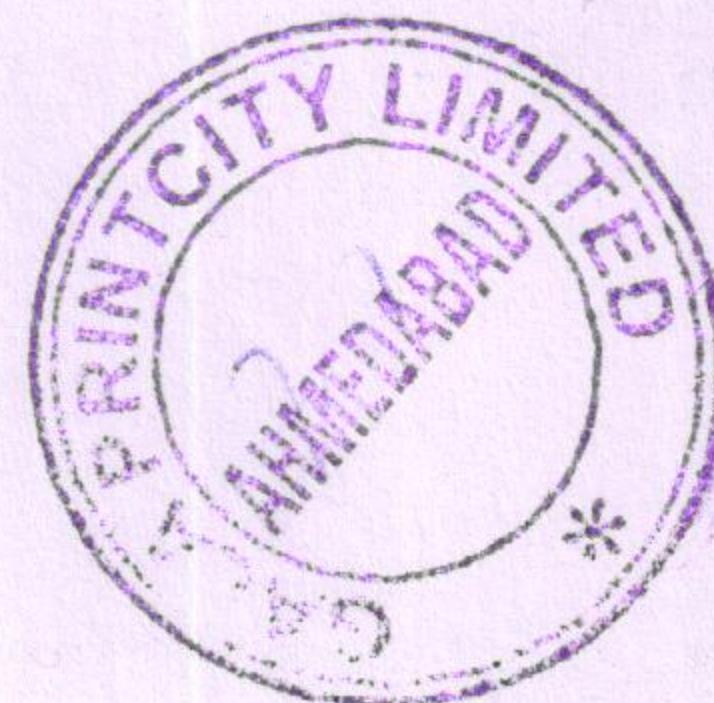
We have audited the accompanying financial statements of "Gala Print City Limited" which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act 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 March 31, 2014;

b) in the case of the Profit and Loss Account, of the profit/ loss for the year ended on that date;

1. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by section 227(3) of the Act, we report that:

a) 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;

b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books

c) the Balance Sheet and Statement of Profit and Loss, dealt with by this Report are in agreement with the books of account.

d) in our opinion, the Balance Sheet and Statement of Profit and Loss comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;

e) on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

**For, PRANAV U. SHAH & CO.
CHARTERED ACCOUNTANTS**

P. U. Shah

**(PRANAV SHAH)
PROPRIETOR
M.No. 130500
FRN: 129513W**

PLACE: AHMEDABAD

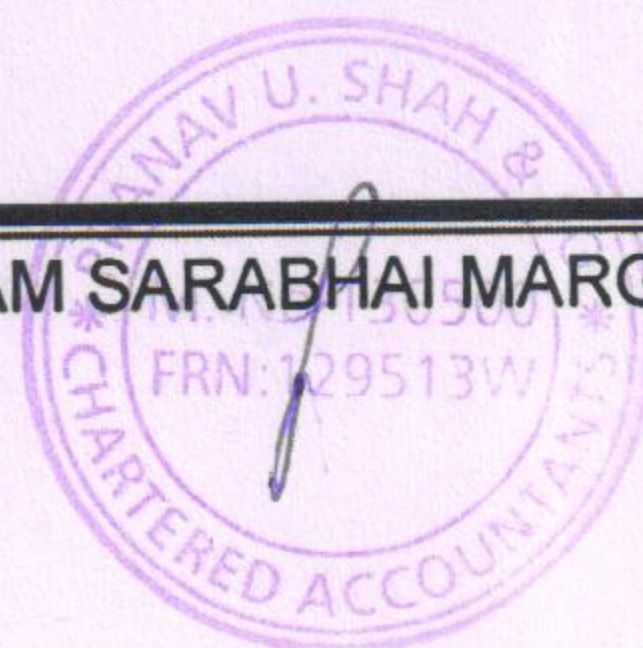
DATE: 22/5/2014



The Annexure referred to in paragraph 1 of the Our Report of even date to the members of Gala Print City Limited on the accounts of the company for the year ended 31st March, 2014.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
(b) As explained to us, majority of 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) During the year, the company has not disposed off any part of the Fixed Assets.
2. (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.
(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
(c) In our opinion and according to the information and explanations given to us the company is maintaining proper records of inventory and there were no discrepancies between the physical stocks and the book records.
3. (a) The Company has granted interest free loan of ₹ 575195 to one party covered in register maintained under section 301 of the Companies ACT, 1956. The maximum amount outstanding is ₹575195 and yearend balance was ₹ 575195.
(b) The Terms and conditions at which the said loan has been granted are not prejudicial in the interest of the company.
(c) In respect of loans granted the amount of Principal is regular.
(d) There is no. overdue amount of loans granted to Companies listed in the register maintained under section 301 of the Companies act, 1956



(e) The Company had taken interest free unsecured loans of ₹ 5620500 from three party covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount outstanding is ₹3456000 and year end balance was ₹ Nil .

(f) In our opinion and according to the explanation and Information given to us, the terms and conditions on which loans taken from parties listed in the register maintained under section 301 of the Companies Act, 1956 are not prima facie, prejudicial to the interest of the company.

(g) The company is regular in repaying the principal amount.

4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.

5. a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.

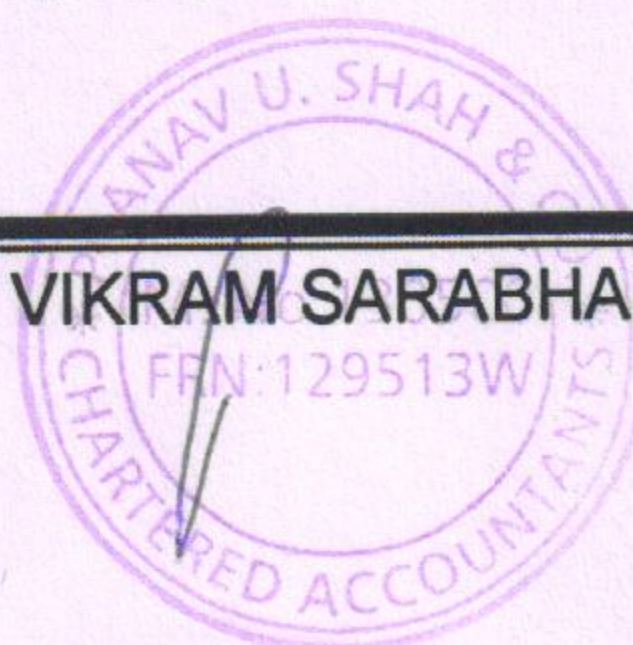
b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the registers maintained under Section 301 of the Companies Act, 1956 have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.

6. The Company has not accepted any deposits from the public covered under section 58A and 58AA of the Companies Act, 1956.

7. As per information & explanations given by the management, the Company does not have an internal audit system, however the has an internal control system which is commensurate with its size and the nature of its business.

8. In our opinion and according to the information and explanation given to us, the Central Government has not prescribed maintenance of cost records under section 209(1)(d) of the Companies Act, 1956.

9. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According



to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2014 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there is no amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes.

10. The Company does not have accumulated loss and has not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.

11. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank.

12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

13. The Company is not a chit fund or a nidhi /mutual benefit fund/society. Therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.

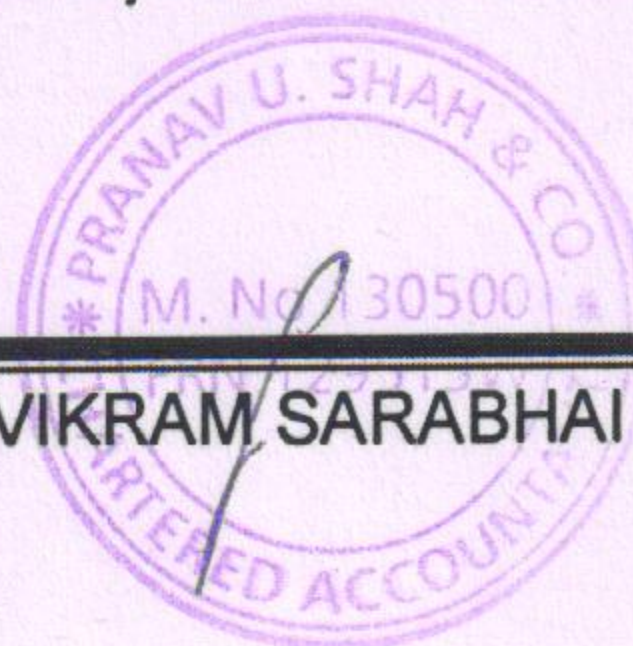
14. The company does not deal in trading in shares and securities, debentures and other investments.

15. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.

16. Based on our audit procedures and on the information given by the management, we report that the company has not raised any term loans during the year.

17. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31st March, 2014, we report that no funds raised on short-term basis have been used for long-term investment by the Company.

18. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment of shares during the year.



19. The Company has no outstanding debentures during the period under audit.

20. The Company has not raised any money by public issue during the year.

21. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

PLACE: AHMEDABAD
DATE: 22/5/2014



For, PRANAV U. SHAH & CO.
CHARTERED ACCOUNTANTS

P. U. Shah

(PRANAV SHAH)
PROPRIETOR
M.No. 130500
FRN: 129513W



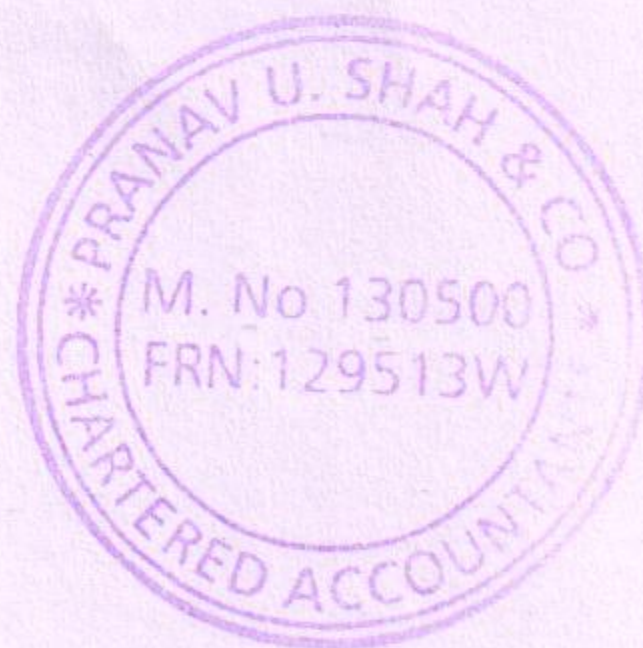
GALA PRINT CITY LTD
Balance sheet as at 31 March 2014

	Notes	₹ 31 March, 2014	₹ 31 March, 2013
Equity and liabilities			
Shareholder's funds			
Share capital	2	15,255,000	9,500,000
Reservers and surplus	3	210,907	813,410
		<u>15,465,907</u>	<u>10,313,410</u>
Non-current liabilities			
Long-term borrowings	4	9,300,780	11,925,190
Deferred tax liability (net)	5	602,455	679,637
Long-term provisions		-	-
		<u>9,903,235</u>	<u>12,604,827</u>
Current Liabilities			
Short-term provisions	6	81,844	446,430
Short-term borrowings	7	4,807,609	5,221,489
Trade payables	8	7,456,126	4,658,098
Other current liabilities	9	3,635,326	6,206,204
		<u>15,980,905</u>	<u>16,532,221</u>
TOTAL		<u><u>41,350,047</u></u>	<u><u>39,450,458</u></u>
Assets			
Non-current assets			
Fixed assets			
Tangible assets	10	15,514,099	19,807,413
Intangible assets		-	-
Capital work-in-progress			
Intangible assets under development	11	297,440	15,000
Long-term loans and advances	11	-	-
Trade receivables		-	-
Other non-current assets	13	-	8,200
		<u>15,811,539</u>	<u>19,830,613</u>
Current assets			
Inventories	14	3,028,680	349,565
Trade receivables	12	17,299,441	17,352,422
Cash and bank balances	15	841,795	373,548
Short-term loans and advances	11	4,360,392	1,536,110
Other current assets	13	8,200	8,200
		<u>25,538,508</u>	<u>19,619,845</u>
Total		<u><u>41,350,047</u></u>	<u><u>39,450,458</u></u>
Summary of significant accounting policies			
The accompanying notes are an integral part of the financial statements.	1		

As per our report of even date
For PRANAV U SHAH & CO.
CHARTERED ACCOUNTANTS
Firm registration number: 129513W

P. U. Shah

PRANAV SHAH
PROPRIETOR
Membership no.: 130500
Place: Ahmedabad
Date: 22/5/2014



For and on behalf of the board of directors of
GALA PRINTCITY LTD

Vishal Gala

Director

Director

Place: Ahmedabad

DATE: 22/5/2014



GALA PRINT CITY LTD

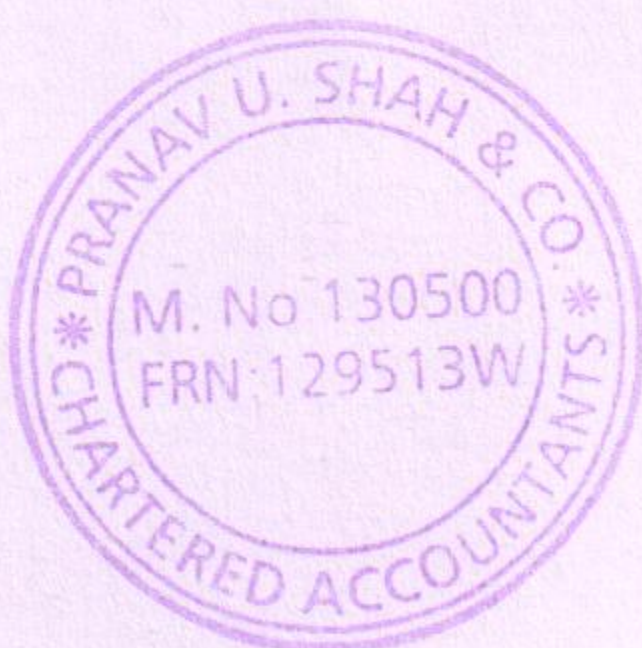
Statement of profit and loss for the year ended 31 March 2014

		₹	₹
	Notes	31 March, 2014	31 March, 2013
Continuing operations			
Income			
Revenue from operations (gross)	16	46,759,382	33,690,227
Less: excise duty		-	-
Revenue from operations (net)		46,759,382	33,690,227
Other Income	17	785,976	13,531
Total revenue (I)		47,545,358	33,703,758
Expenses			
Cost of raw material and components consumed	18	37,667,324	27,736,948
Purchase of traded goods			
(Increase)/ decrease in inventories of finished goods, work-in-progress and traded goods			
Employee benefits expense	19	1,868,180	514,253
Other expenses	20	2,914,555	2,963,542
Total (II)		42,450,059	31,214,743
Earnings before interest, tax, depreciation and amortization (EBITDA) (I) – (II)		5,095,299	2,489,015
Depreciation and amortization expense		2,689,953	595,631
Finance costs	21	2,335,031	798,098
Profit before tax		70,315	1,095,286
Tax expenses			
Current tax		14,530	212,940
Tax of earlier year		-	-
Less: MAT Credit		(14,530)	(212,940)
Deferred tax		(77,182)	679,455
Total tax expenses		(77,182)	679,455
Profit for the year		147,497	415,831
Earnings per equity share [nominal value of share ₹10 (31 March 2013: ₹10)]			
Basic			
Computed on the basis of total profit for the year		0.16	0.44
Summary of significant accounting policies	1		
The accompanying notes are an integral part of the financial statements.			

As per our report of even date
For PRANAV U SHAH & CO.
CHARTERED ACCOUNTANTS
Firm registration number: 129513W

P. U. Shah
PRANAV SHAH
PROPRIETOR
Membership no.: 130500

Place: Ahmedabad
Date: 22/5/2014



For and on behalf of the board of directors of
GALA PRINTCITY LTD

Vishal Gala
Director

Director

Place: Ahmedabad
DATE: 22/5/2014



GALA PRINT CITY LIMITED
Cash flow statement for the year ended 31 March 2014

	₹	₹
	31 March, 2014	31 March, 2013
Cash flow from operating activities		
Profit before tax from continuing operations	70,315	1,095,286
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation/amortization on continuing operation	2,689,952	595,631
Interest expense	2,335,031	798,098
Interest income	(389,758)	0
Operating profit before working capital changes	4,705,540	2,489,015
Movements in working capital :		
Increase in trade payables	2,798,028	(7,265,160)
Increase / (decrease) in short-term provisions	(577,526)	91,301
Increase/(decrease) in other current liabilities	(2,570,878)	5,718,096
Decrease/(increase) in trade receivables	52,981	(4,456,354)
Decrease/(increase) in inventories	(2,679,115)	(349,565)
Decrease / (increase) in loans and advances	(282,440)	(15,000)
Decrease / (increase) in short-term loans and advances	(2,824,282)	(1,473,231)
Decrease / (increase) in other non-current assets	8,200	8,200
Cash generated from / (used in) operations	(1,369,492)	(5,252,698)
Direct taxes paid (net of refunds)	212,940	175,635
Net cash flow from/ (used in) operating activities (A)	(1,156,552)	(5,077,063)
Cash flows from investing activities		
Purchase of fixed assets, including intangible assets, CWIP	1,603,362	(20,175,785)
Interest received	389,758	0
Net cash flow from/ (used in) investing activities (B)	1,993,120	(20,175,785)
Cash flows from financing activities		
Proceeds from long-term borrowings	0	12,040,190
Issue of Share Capital	5,005,000	9,000,000
Repayment of long-term borrowings	(2,624,410)	0
Proceeds from short-term borrowings	(413,880)	5,221,489
Interest paid	(2,335,031)	(798,098)
Net cash flow from/ (used in) in financing activities (C)	(368,321)	25,463,581
Net increase/ (decrease) in cash and cash equivalents (A + B + C)	468,247	210,733
Cash and cash equivalents at the beginning of the year	373,548	162,815
Cash and cash equivalents at the end of the year	841,795	373,548
Components of cash and cash equivalents		
Cash on hand	831,446	373,548
With banks- on current account	10,349	0
Total cash and cash equivalents (note 15)	841,795	373,548

Summary of significant accounting policies

1

As per our report of even date

For PRANAV U SHAH & CO.

CHARTERED ACCOUNTANTS

Firm registration number: 129513W

P. U. Shah

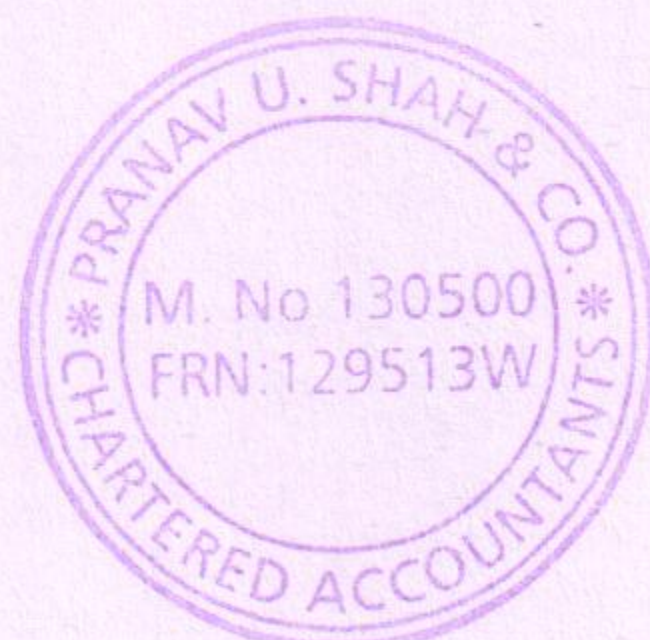
PRANAV SHAH

PROPRIETOR

Membership no.: 130500

Place: Ahmedabad

Date: 22/5/2014



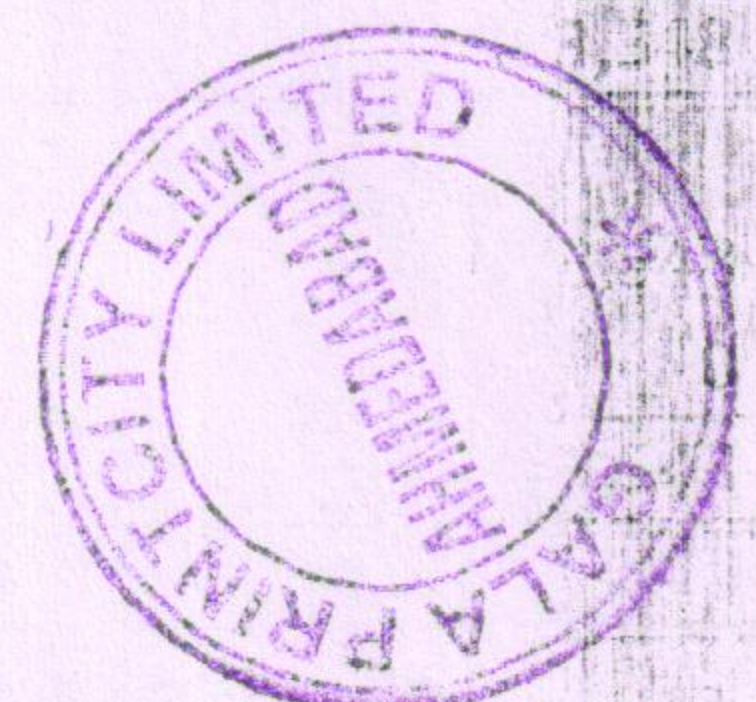
For and on behalf of the board of directors of
GALA PRINTCITY LTD

Vishal Gala
Director

Director

Place: Ahmedabad

DATE: 22/5/2014



GALA PRINT CITY LIMITED

NOTE-1

NOTES FORMING PART OF ACCOUNTS

A. Significant accounting Policies

(a) Basis of Accounting:

The financial statements are prepared under historical cost convention and to comply in all material respect with the notified accounting standards by the Companies Accounting standard Rules - 2006 and the relevant provision of Companies Act, 1956.

(b) Fixed Assets

Fixed Assets are stated at cost less accumulated depreciation. The cost of fixed asset comprise of its purchase price and any directly attributable cost of bringing the assets in an operational condition for its intended use.

(c) Depreciation

Depreciation has been provided at the rates and in the manner prescribed in Schedule XIV of the Companies act, 1956 on WDV Method. Depreciation on addition or on sale/ disposal of assets is calculated on pro-rata basis from the date of such addition or sale/ disposal as the case may be.

(d) Valuation of Inventories

Stock is valued at cost or net realizable value whichever is lower.

(e) Investment

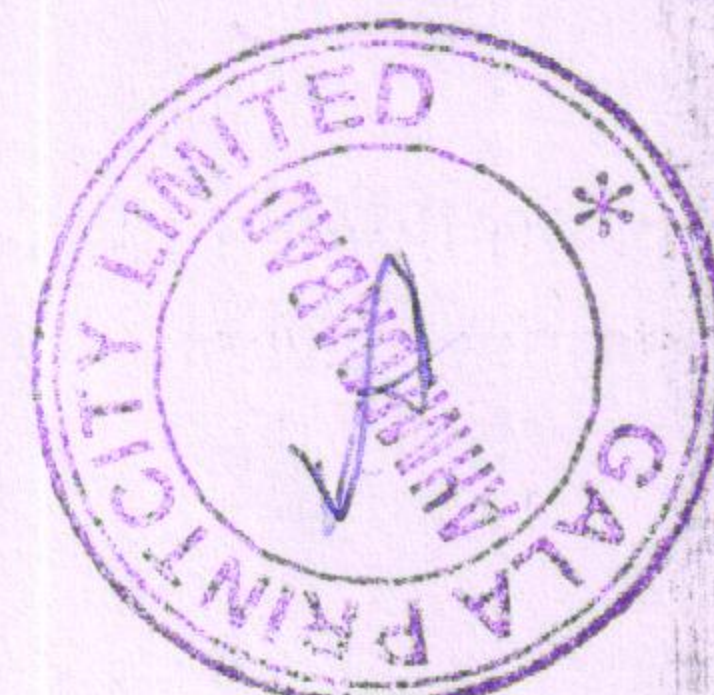
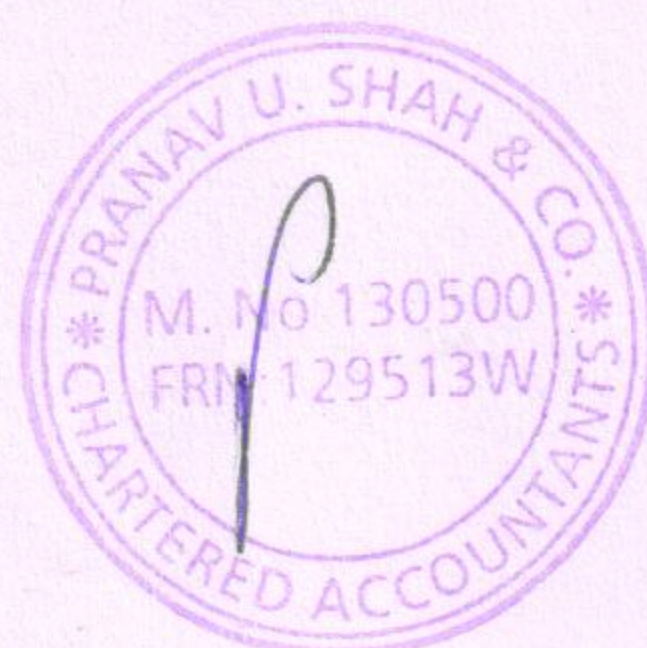
Long term investments are stated at cost. Provision of diminution in the value of Long term investments is made only if such decline is other than temporary in nature in the opinion of the Management.

(f) Revenue Recognition

All the income & expenses are accounted on accrual basis.

(g) Retirement/ Post retirement Benefits

The company has not made provision for gratuity and leave encashment as prescribed by the Accounting Standard (AS) – 15(Revised) on Employee Benefits.



(h) Taxation

Current tax is determined as the amount of tax payable in respect of taxable income for the period. Deferred tax is recognized subject to the consideration of prudence in respect of deferred tax assets on timing differences, being the difference between the taxable incomes and accounting income that originate in, one period and are capable of reversal in one or more subsequent period.

Deferred tax assets are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

(i) Provisions, Contingent Assets and Contingent Liabilities

A provision involving substantial degree of estimation are recognized when there is a present obligation as a result of past event and it is probable that there will be on outflow or resources.

B. NOTES FORMING PART OF ACCOUNTS

(a) The Company has not made any Provision regarding Gratuity liability as prescribed by the accounting standard 15 (Revised) on employee benefits ,as In the opinion of the management none of the employees are eligible for gratuity benefit.

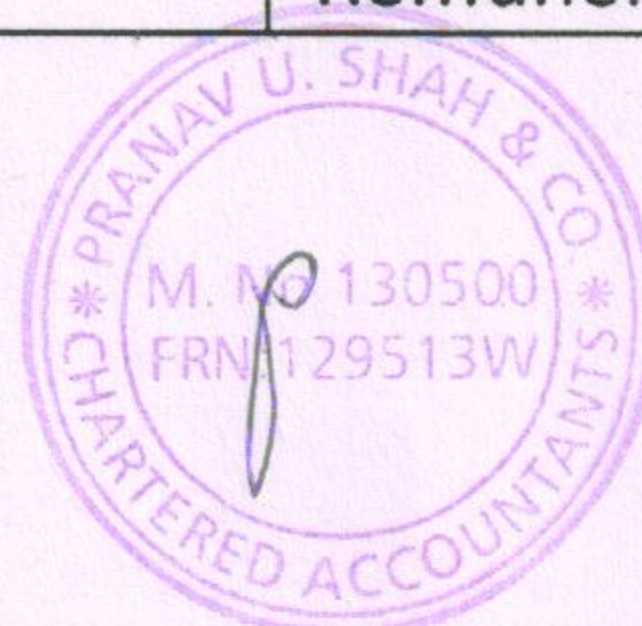
(b) During the year the company has been converted from private limited company to Limited Company w.e.f 31st March, 2014.

(c) 1/5th of the Preliminary Expenses are written off during the year.

(d) Related Party Disclosure :

The transactions that has taken place during the year with related parties to be disclosed as required by Accounting Standard -18 " Related party Transaction" issued by the Institute of Chartered Accountants Of India and notified by the Companies Accounting standard Rules - 2006 are as under.

Sr. No	Related Party	Relation	Description Of Transaction	Receipts (Rs.)	Payments (Rs.)
1	Gala plus	Proprietorship of Director	Loan	850000	850000
2	Vishal Gala	Director	Loan Remuneration	3681500	3801500 120000
3	Gala Products Pvt. Ltd	Company in Director is Managing Director	Sales	38344765	----
4	Vishal Gala HUF	HUF of Director	Loan	----	575195
5	Papers' Plaza	Relative of Director	Sales Purchase	1738456	3087
6	Neha Gala	Director	Loan Remuneration	1089000	1095000 180000



(e) The numerators and Denometers used in calculation of Basic and Diluted Earnings per Share are as under

Particulars	2013-14 (Amount Rs.)	2012-13 (Amount Rs.)
Net Profit/loss available To Equity Share Holders	147497	415831
Weighted Average No. of Equity Shares O/s at the end of the year	973293	950,000
Basis and Diluted Earnings per Share (Rs.)	0.15	0.44

(f) Additional information pursuant to the provision of Para 3,4C & 4D of part III of Schedule-VI of the Companies Act, 1956. (To the extent applicable)

	<u>For the year ended on</u> <u>31.03.2014</u>	<u>For the year ended on</u> <u>31.03.2013</u>
(1) Licensed Capacity	N. A.	N. A.
(2) Installed Capacity	N. A.	N. A.
(3) The company does not maintain quantitative details.	N. A.	N. A.
(4) C.I.F. Value of Imports	Rs. Nil	Rs. Nil.
(5) Expenditure in foreign currency	Rs. Nil	Rs. Nil.
(6) Earnings in Foreign Exchange	Rs. Nil	Rs. Nil.
(7) Particulars of payment made to Auditors :		

(g) Particulars	<u>For the year ended on</u> <u>31.03.2014</u> Amount (Rs.)	<u>For the year ended on</u> <u>31.03.2013</u> Amount (Rs.)
Audit Fees		
Audit Fees	15,000	15,000



(h) Particulars of payment made to Directors:

Particulars	<u>For the year ended on</u>	<u>For the year ended on</u>
	<u>31.03.2014</u>	<u>31.03.2013</u>
	Amount (Rs.)	Amount (Rs.)
(1.) Vishal Gala. (Salary)	120000	120000
(2.) Neha Gala (Salary)	180000	150000

(i) The balances shown in the Balance sheet under the head of Creditors, Current Assets are subject to confirmation from respective parties and are subject to adjustment if any, on receipt of confirmation.

(j) During the financial year under audit the Company has received capital subsidy of Rs.15,47,662/- on Plant & Machinery and the same has been credited to Plant & Machinery A/c as per AS - 12 "Government Grant". Accordingly depreciation has been reduced on subsidy amount proportionately.



GALA PRINT CITY LTD

Notes to financial statements for the year ended 31 March 2014

	31 March, 2014	31 March, 2013
	₹	₹
2 Share capital		
Authorized share capital		
20,00,000 (31 March 2013:10,00,000) equity shares of ₹10/- each	20,000,000	10,000,000
Issued, subscribed and fully paid-up share capital	15,255,000	9,500,000
15,25,500 (31 March 2013:9,50,000) equity shares of ₹10/- each		
Total issued, subscribed and fully paid-up share capital	15,255,000	9,500,000

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity shares

	31 March 2014		31 March 2013	
	Number	₹	Number	₹
At the beginning of the period	950000	9500000	50,000	500,000
Add/Less during the period	575500	5755000	900,000	9,000,000
Outstanding at the end of the period	1,525,500	15,255,000	950,000	9,500,000

b. Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Details of shareholders holding more than 5% shares in the company

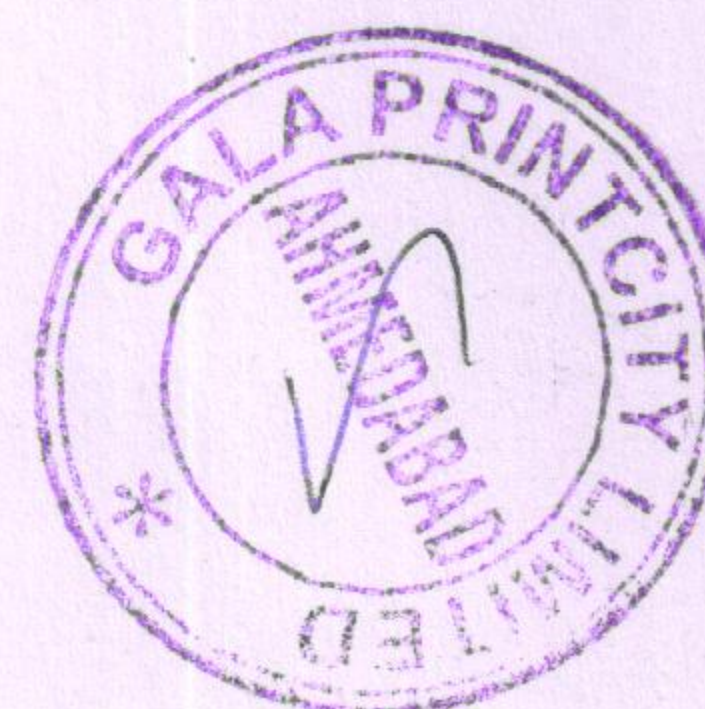
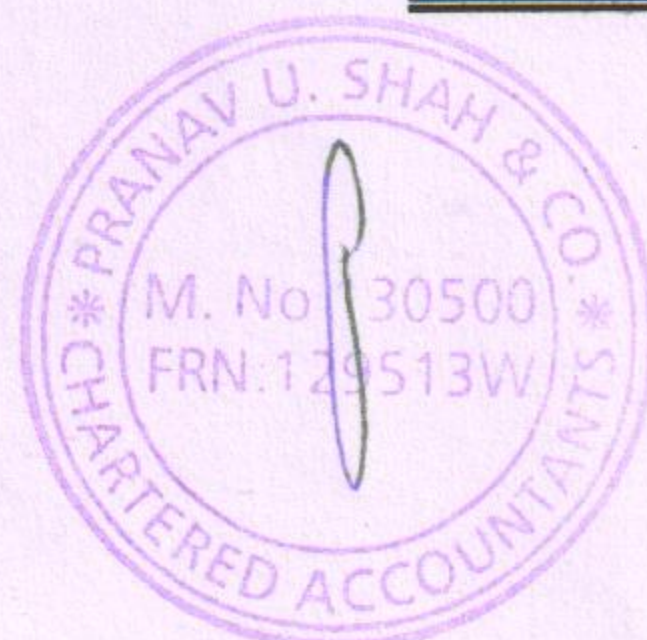
	31 March 2014		31 March 2013	
	Number	% holding in the class	Number	% holding in the class
Equity shares of ₹10 each fully paid				
VISHAL GALA	755263	49.51%	700,000	73.68%
NEHA GALA	769737	50.46%	250,000	26.32%

3 Reserves and surplus

	31 March 2014	31 March 2013
	₹	₹
General reserve		
Balance as per the last financial statements	-	-
Closing Balance		
Surplus in the statement of profit and loss		
Balance as per last financial statements	813,410	397,579
Less : Utilized for Bonus Issue	750,000	0
	63,410	397,579
Profit for the year	147,497	415,831
Net surplus in the statement of profit and loss	210,907	813,410
Total reserves and surplus	210,907	813,410

4 Long-term borrowings

	Non-current portion		Current maturities	
	31 March, 2014	31 March, 2013	31 March, 2014	31 March, 2013
	₹	₹	₹	₹
Term loans				
From Bank	9,300,780	11,925,190	3,000,000	3,000,000
Other Loans			600,000	126,000
The above amount includes				
Secured borrowings	9,300,780	11,925,190	3,000,000	3,000,000
Unsecured borrowings			600,000	126,000
Amount disclosed under the head "other current liabilities" (note 9)			3,600,000	3,126,000
Net amount	9,300,780	11,925,190	-	-



307
397,579
425,579
813,410
813,410

Term loans from State Bank of India was taken during the financial year 2012-13 to 2017-18 and carries interest 12.9% p.a. The loan is repayable in 60 monthly installments along with interest, from the date of loan. The loan is secured by hypothecation of Plant & Machinery

5 Deferred tax Liability (net)

	31 March 2014 ₹	31 March 2013 ₹
Deferred tax liability		
Fixed assets: Impact of difference between tax depreciation and depreciation / amortization charged for the financial reporting	602,455	679,637
Gross deferred tax liability	<u>602,455</u>	<u>679,637</u>
Deferred tax asset		
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis		
Others		
Gross deferred tax asset		
Net deferred tax liability	<u><u>602,455</u></u>	<u><u>679,637</u></u>

6 Provisions

	Long-term		Short-term	
	31 March, 2014 ₹	31 March, 2013 ₹	31 March, 2014 ₹	31 March, 2013 ₹
Provision for employee benefits				
Provision for gratuity			-	-
Provision for leave benefits			-	-
Other provisions:				
Provision for Income tax	-		14,530	392,434
Provision for expenses			67,314	53,996
	-		<u>81,844</u>	<u>446,430</u>
	-	-		

7 Short-term borrowings

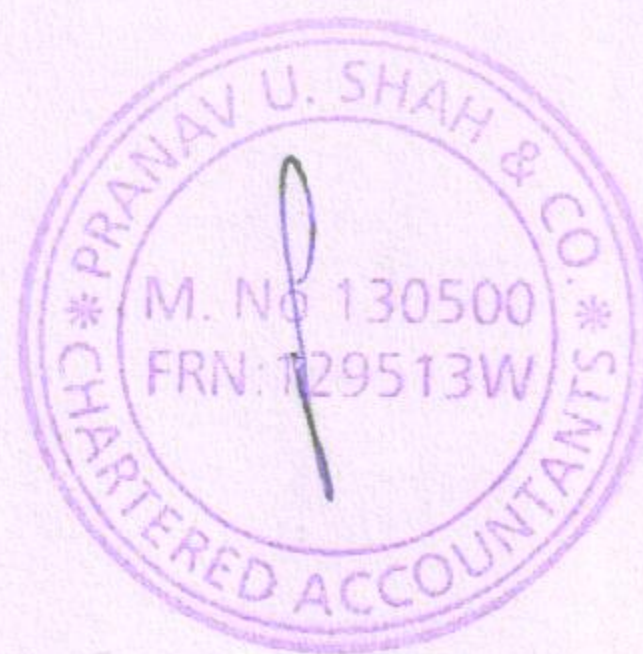
	31 March 2014 ₹	31 March 2013 ₹
From Bank:		
Cash credit / packing credit / S.L.C. (secured)	4,807,609	5,221,489
	<u>4,807,609</u>	<u>5,221,489</u>
The above amount includes		
Secured borrowings	4,807,609	5,221,489
Unsecured borrowings	-	-
	<u>4,807,609</u>	<u>5,221,489</u>
Hypothecation of entire book debts and Inventory of the company The cash credit is repayable on demand and carries interest @ 13%p.a.		

8 Trade payables

	31 March 2014 ₹	31 March 2013 ₹
Trade payables	7,456,126	4,658,098
	<u>7,456,126</u>	<u>4,658,098</u>

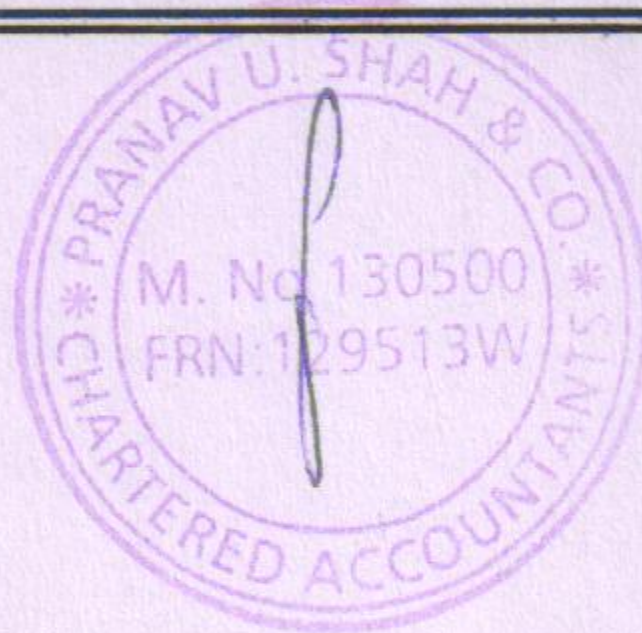
9 Other current liabilities

Current maturities of long-term borrowings (Note:5)	3,600,000	3,126,000
Statutory liabilities payable	35,326	40,702
Advance received from customers	0	2,890,002
Creditors for Exp.	0	149,500
Interest accrued and due on borrowings	0	0
	<u>3,635,326</u>	<u>6,206,204</u>



10 Tangible assets

	Plant and Machinery	Office Equipments	Computers	Furniture & fixture	Total
Cost or valuation					
At 01.04.2013	20,182,625	64,390	55,750	152,190	20,454,955
Additions	152,000			18,000	170,000
Disposals	1,773,362	-	-	-	1,773,362
At 31 March 2014	18,561,263	64,390	55,750	170,190	18,851,593
Depreciation					
At 01.04.2013	582,562	1,255	11,308	52,416	647,541
Charge for the year	2,646,121	3,813	17,777	22,242	2,689,953
Disposals	-	-	-	-	-
At 31 March 2014	3,228,683	5,068	29,085	74,658	3,337,494
Net Block					
At 31 March 2013	19,600,063	63,135	44,442	99,774	19,807,414
At 31 March 2014	15,332,580		26,665	95,532	15,514,099



11 Loans and advances

	Non-current		Current	
	31 March 2014	31 March 2013	31 March 2014	31 March 2013
	₹	₹	₹	₹
Capital advances				
Unsecured, considered good		-		47,000
(A)		-		47,000
Security deposit				
Unsecured, considered good	297,440	15,000	3,911,166	963,040
(B)	297,440	15,000	3,911,166	963,040
Advances recoverable in cash or kind				
Unsecured considered good		-	46,500	102,815
(C)		-	46,500	102,815
Other loans and advances				
MAT Credit entitlement			227,470	212,940
Prepaid expenses			33,529	
Balances with statutory / government authorities			141,727	210,315
(D)			402,726	423,255
Total (A+ B + C + D)	297,440	15,000	4,360,392	1,536,110

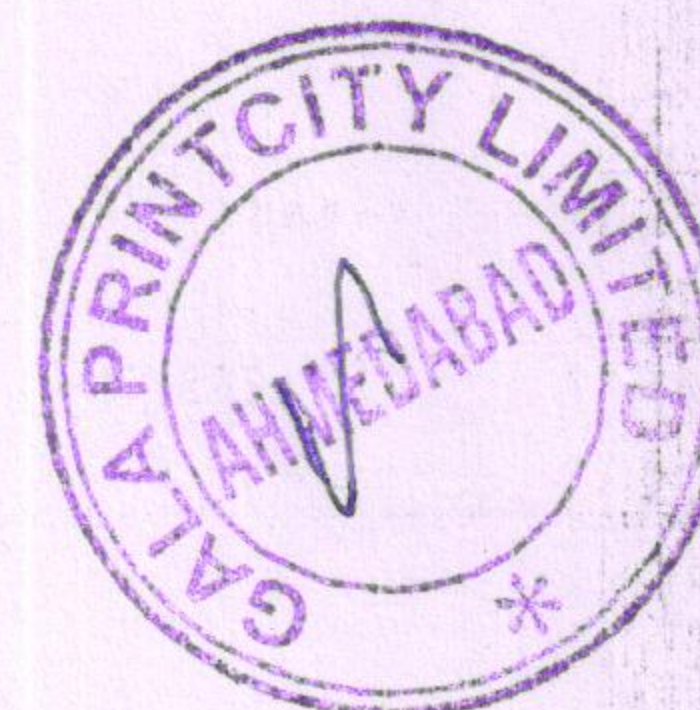
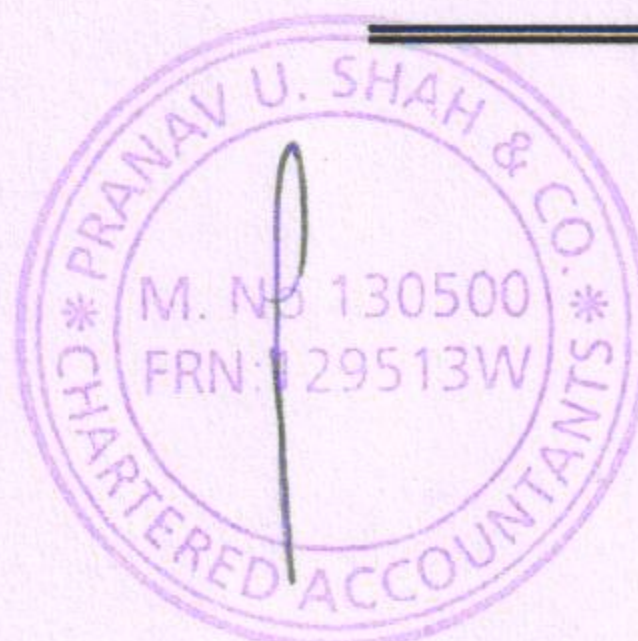
Trade receivables and other assets

12 Trade receivables

	Non-current		Current	
	31 March 2014	31 March 2013	31 March 2014	31 March 2013
	₹	₹	₹	₹
Unsecured, considered good unless stated otherwise				
Outstanding for a period exceeding six months from the date they are due for payment				
Secured, considered good	-	-	-	-
Unsecured, considered good	-	-	-	-
Doubtful	-	-	-	-
Provision for doubtful receivable	-	-	-	-
(A)	-	-	-	-
Other receivables				
Secured, considered good	-	-	17,299,441	17,352,422
Unsecured, considered good	-	-	-	-
Doubtful	-	-	-	-
Provision for doubtful receivable	-	-	-	-
(B)	-	-	17,299,441	17,352,422
Total (A + B)	-	-	17,299,441	17,352,422

13 Other assets

	Non-current		Current	
	31 March 2014	31 March 2013	31 March 2014	31 March 2013
	₹	₹	₹	₹
Unsecured, considered good unless stated otherwise				
Non-current bank balances (note 18)	-	-	-	-
(A)	-	-	-	-
Others				
Interest accrued on fixed deposits preliminary exp.	-	8,200	8,200	8,200
(B)	-	8,200	8,200	8,200
Total (A + B)	-	8,200	8,200	8,200



14 Inventories (valued at lower of cost and net realizable value)

	31 March 2014	31 March 2013
	₹	₹
Finished goods	3,028,680	349,565
	3,028,680	349,565.00

15 Cash and bank balances

	Non-current		Current	
	31 March 2014	31 March 2013	31 March 2014	31 March 2013
	₹	₹	₹	₹
Cash and cash equivalents				
Balances with banks:				
State Bank of India	-	-	10,349	
Cash on hand	-	-	831,446	373,548
	-	-	841,795	373,548
Other bank balances				
Deposits with original maturity for more than 12 months	-	-	-	-
	-	-	-	-
Amount disclosed under non-current assets	-	-	-	-
	-	-	841,795	373,548

16 Revenue from operations

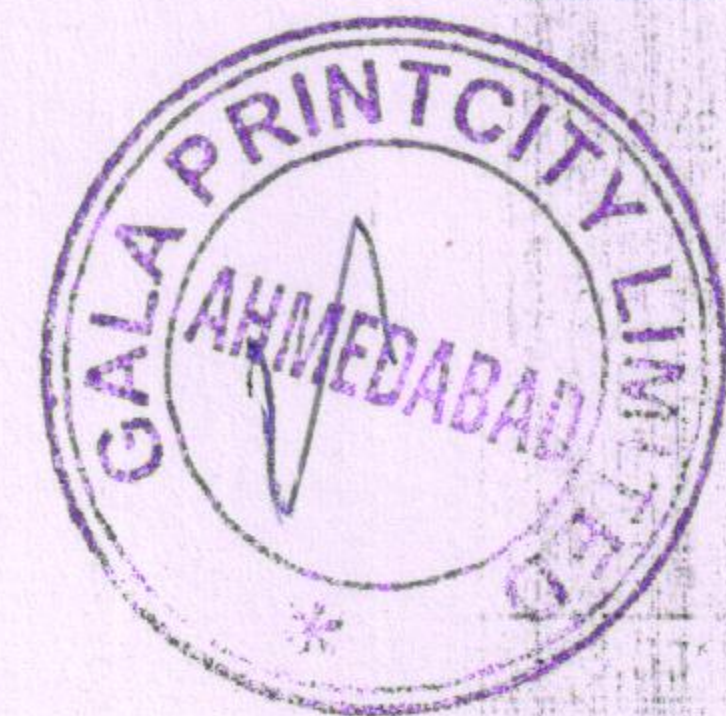
	31 March 2014	31 March 2013
	₹	₹
Revenue from operations		
Sale of products:		
Finished goods	46,759,382	33,690,227
	46,759,382	33,690,227
Revenue from operations (gross)	46,759,382	33,690,227
Less: Excise duty #		
Revenue from operations (net)	46,759,382	33,690,227

17 Other income

	31 March 2014	31 March 2013
	₹	₹
Kasar Vataav	15,696	11,378
Rate Diffrence	64,555	
Cash Discount	616	2,153
Interest Subsidy Income	389,758	
Bank FD Interest Income	99,471	
Special Discount	215,880	
	785,976	13,531

18 Cost of raw material consumed

	31 March 2014	31 March 2013
	₹	₹
Inventory at the beginning of the year	349,566	-
Add: Purchases	40,346,438	28,086,513
	40,696,004	28,086,513
Less: inventory at the end of the year	3,028,680	349,565
Cost of raw material and components consumed	37,667,324	27,736,948



19 Employee Benefits Expense

Salaries, wages and bonus
 Contribution to provident and other fund
 Gratuity expense
 Staff welfare expenses

31 March 2014	31 March 2013
₹	₹
1,868,180	514,253
-	-
-	-
-	-
1,868,180	514,253

20 Other expenses

Labour Expenses
 Electricity Burning
 Electric Expense
 Freight Expenses
 Machinery Repairs & Spares
 Packing Materials
 Advertising Expense
 Boni Expense
 Post Expense
 Professional fees
 Round Off
 Stamp Expense
 Tempa fare
 Weight Expense
 Audit Fees
 Computer Expenses
 Conveyance Expense
 Rent Expense
 Office Expense
 Stationary and Printing Expenses
 Telephone and internet Expenses
 Vehicle Expenses
 Bank Charges
 Insurance Expense
 Legal & Professional Fee
 Licence Fees
 Misc. Expense
 Processing Fees
 Professional tax
 Tender Fees
 Travelling Expense
 Factory Maintenance Expense
 Preliminary exp

31 March 2014	31 March 2013
₹	₹
891,102	1,739,074
510,718	113,213
49,925	-
240,708	8,995
361,911	48,847
1,224	349
1,900	-
3,200	-
1,220	-
11,500	-
8	-
32,450	-
4,780	-
790	-
15,000	15,000
1,114	-
6,071	675
300,000	150,000
53,132	42,686
37,581	15,754
14,010	180
320	-
28,188	15,371
64,582	14,042
145,200	432,597
-	30,237
10,476	5,874
71,150	217,250
2,400	8,714
33,400	30,000
12,295	30,378
-	36,106
8,200	8,200
2,914,555	2,963,542

Payment to auditor :**As auditor:**

Audit fee
 Tax audit fee

31 March 2014	31 March 2013
₹	₹
7,500	7,500
7,500	7,500
15,000	15,000



21 Finance costs:

Bank interest
Interest on Income Tax
Interest on VAT
Interest Expense

31 March 2014	31 March 2013
₹	₹
2,287,612	421,731
506	23,004
6,769	10,174
40,144	343,189
2,335,031	798,098

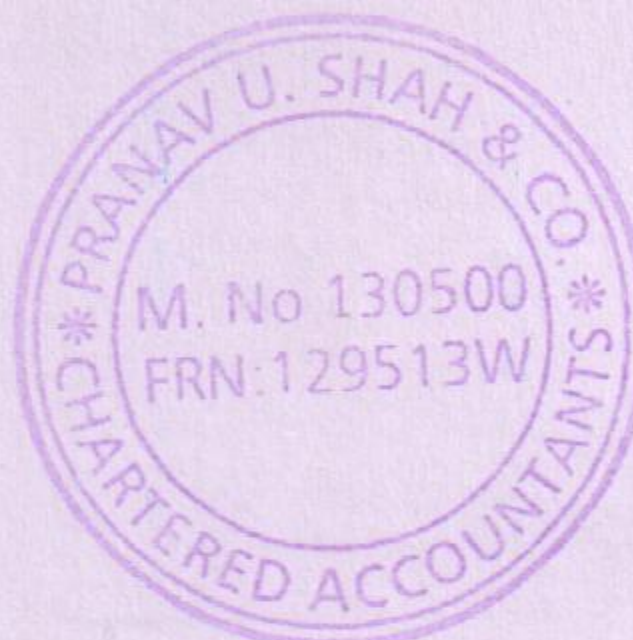
As per our report of even date
For PRANAV U SHAH & CO.
CHARTERED ACCOUNTANTS
Firm registration number: 129513W

P. U. Shah

PRANAV SHAH
PROPRIETOR
Membership no.: 130500

Place: Ahmedabad

Date: 22/5/2014



For and on behalf of the board of directors of
GALA PRINTCITY LTD

Vishal Gala
Director

Director

Place: Ahmedabad

DATE: 22/5/2014

