

D/L

ARVIND ACCEL LIMITED

ANNUAL REPORT

2011-2012



# ARVIND ACCEL LIMITED

## NOTICE

NOTICE is hereby given that the Annual General Meeting of the Members of ARVIND ACCEL LIMITED will be held on Friday, the 28th September, 2012 at 1.00 p.m. at the Registered Office of the Company at Arvind Mills Premises, Naroda Road, Ahmedabad-380 025 to transact the following Business:-

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2012 and the Report of the Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Jayesh K. Shah, who retires by rotation in terms of Article 149 of the Articles of Association of the Company and being eligible, offers himself for reappointment.
3. To appoint Auditors of the Company to hold office up to the conclusion of the next Annual General Meeting and to fix their remuneration.

### SPECIAL BUSINESS :

4. To consider and, if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:

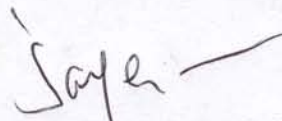
RESOLVED THAT Mr. Punit S. Lalbhai be and is hereby appointed as an Additional Director on the Board of the Company with effect from 21st November, 2011, pursuant to Articles of Association of the Company and Section 260 of the Companies Act, 1956, and will hold the office till the conclusion of the next Annual General Meeting.


**A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.**

Registered Office  
Arvind Mills Premises  
Naroda Road,  
Ahmedabad-380 025

Date : 21st April, 2012

BY ORDER OF THE BOARD

  
Jayesh K. Shah  
Director

  
Punit S. Lalbhai  
Director

**ANNEXURE TO NOTICE**

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173  
OF THE COMPANIES ACT, 1956**

**Item No. 4**

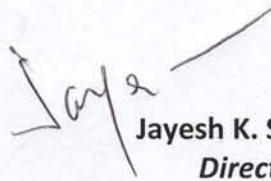
The Board of Directors at their meeting held on 21<sup>st</sup> November, 2011 appointed Mr. Punit S. Lalbhai as additional Director of the Company. The said appointment was in pursuance of the provisions of Section 260 of the Companies Act, 1956 and Article 137 of the Articles of the Association of the Company and accordingly the said Director holds office only upto the date of this Annual General Meeting. The Company has received notice in writing alongwith the necessary amounts as a deposit from a member proposing candidature of Director in accordance with the requirements of Section 257 of the Companies Act, 1956.

The Board commends the resolution at item No. 4 for approval of members. Mr. Punit S. Lalbhai may be deemed to be concerned or interested in the said resolution relating to his appointment. No other Directors are in any manner concerned or interested in the said resolution.

Registered Office  
Arvind Mills Premises  
Naroda Road,  
Ahmedabad-380 025

Date : 21st April, 2012

**BY ORDER OF THE BOARD**



**Jayesh K. Shah**  
*Director*



**Punit S. Lalbhai**  
*Director*

## ARVIND ACCEL LIMITED

### **DIRECTORS' REPORT**

To,  
The Members,

Your Directors present their FOURTH Annual Report together with the Audited Financial Statements for the year ended on 31<sup>st</sup> March, 2012.

#### **1. FINANCIAL RESULTS :**

During the year your Company has incurred a net loss of Rs. 5,00,37,266/- after depreciation and amortization of Rs. 7,15,647/- and provision of Taxation for Rs. 2,22,287/- and the same is carried forward to the Balance Sheet.

#### **2. OPERATIONS :**

Income from Operations and Other Income for the year ended 31st March, 2012 is Rs. 17,45,50,589/-.

#### **3. DIVIDENDS :**

In view of loss for the year, your Directors do not recommend any dividend on Equity Shares.

#### **4. DEPOSITS :**

The Company has not accepted any Deposits under the Companies Acceptance of Deposits Rules, 1975.

#### **5. SUBSIDIARY :**

The Company has a wholly owned subsidiary Arvind Envisol Private Limited.

#### **6. DIRECTORS :**

During the year under review, Mr. Jagdish G. Dalal has resigned from the Directorships of the Company.

Mr. Jayesh K. Shah, the Director of the Company, retires by rotation at the ensuing Annual General Meeting pursuant to Articles 149 of the Articles of Association of the Company and being eligible for re-appointment, offers himself for re-appointment.

Mr. Punit S. Lalbhai has been appointed by the Board as an Additional Director at the meeting of the Board of Directors held on 21<sup>st</sup> November, 2011 and holds the office upto the date of this ensuing Annual General Meeting. The Company has received notice in writing Under Section 257 from a member proposing his candidature as Director.

#### **7. DIRECTORS' RESPONSIBILITY STATEMENT :**

In compliance of Section 217(2AA) of the Companies Act, 1956, the Directors state that:

1. In the preparation of the annual accounts, the applicable accounting standards have been followed. There are no material departures from the applicable accounting standards.

2. Such accounting policies have been selected and applied consistently and such judgements and estimates have been made as 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 profit of the Company for the year.
3. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
4. The attached statements of accounts for the period ended on 31<sup>st</sup> March, 2012 have been prepared on a going concern basis.

#### **8. PARTICULARS OF EMPLOYEES :**

Information in terms of the provisions of Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended, forms part of this report. However, as per the provisions of Section 219(1)(b)(iv) of the said act, the Annual Report excluding the aforesaid information is being sent to all the members of the Company and others entitled thereto. Any member interested in obtaining such particulars may write to the Board at the Registered Office of the Company.

#### **9. INFORMATION REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO :**

Information in accordance with the 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 regarding conservation of energy and technology absorption are not being given as the Company has not undertaken any manufacturing activity.

During the year under review the details of foreign exchange earning & outgo were as under :

Foreign exchange Earning : ₹ 9.28 lacs  
Foreign exchange outgo : ₹ 16.24 lacs

#### **10. AUDITORS :**

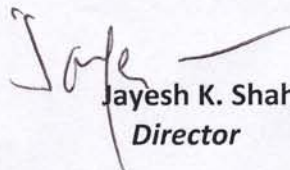
The Company's Auditors M/s G. K. Choksi & Co., Chartered Accountants, Ahmedabad retire at the conclusion of forthcoming Annual General Meeting and being eligible, offer themselves for reappointment. You are requested to appoint Auditors and to fix their remuneration.

#### **11. ACKNOWLEDGEMENTS :**

Your Directors wish to convey their deep sense of gratitude to all associated with it for the support extended by them and also look forward to their continued co-operation in future.

**FOR AND ON BEHALF OF THE BOARD**

Date : 21.04.2012  
Place : Ahmedabad

  
Jayesh K. Shah  
Director

Punit S. Lalbhai  
Director

# *G. K. Choksi & Co.*

*Chartered Accountants*

'Madhuban', Nr. Madalpur Underbridge, Ellisbridge, Ahmedabad - 380 006.  
Dial : 91 - 79 - 30012009, 9925174555-56 Fax : 91 - 79 - 26569929 E-mail : info@gkcco.com

## **AUDITORS' REPORT**

To  
The Members,  
**ARVIND ACCEL LIMITED**  
Ahmedabad.

1. We have audited the attached Balance Sheet of Arvind Accel Limited as at 31st March, 2012, Statement of Profit and Loss and 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 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 misstatements. An audit includes examining, on a test basis, evidence supporting, the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, and on the basis of such checks as we considered appropriate and according to information and explanations given to us, we enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said order.
4. Further to our comments in the Annexure refer to above, 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 purposes 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, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - d. In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
  - e. On the basis of written representation received from the directors of the company as at March 31st, 2012 and taken on record by the board of directors, we report that none of the directors is disqualified from being appointed as director of company under clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.



708-709, Raheja Chambers, Free Press Journal Road, Nariman Point, **MUMBAI - 400 021.**  
Dial : 91-22-66324446/47 FAX : 91-22-22882133 Email : mumbai@gkcco.com

207, Tolstoy House, Tolstoy Marg, Janpath, **NEW DELHI - 110 001**  
Dial : 91-11-43717773-74; Email : info@gkcco.com

Branches :

'Surya Bhavan', Station Road, **PETLAD - 388 450.** Dial : 91-2697-224108

- f. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- i. in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2012,
  - ii. in the case of the Statement of Profit and Loss, of the loss for the year ended on that date  
and
  - iii. in the case of the Cash Flow Statements for the year ended on that date.

**FOR G. K. CHOKSI & CO.**

[Firm Registration No. 101895W]

*Chartered Accountants*

*Rohit Choksi*  
**ROHIT K. CHOKSI**  
Partner

Mem. No.: 31103

Place : Ahmedabad

Date : 21<sup>st</sup> April, 2012



## ANNEXURE TO THE AUDITORS' REPORT

The annexure referred to in the Auditors Report to the members of Arvind Accel Limited (the company) for the year ended 31<sup>st</sup> March 2012. We report that:

- 1 (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management during the year at reasonable intervals and no material discrepancies were noticed on such verification.
- (c) During the year the company has not disposed off any substantial/major part of fixed assets.
  
- 2 (a) In our opinion, physical verification of inventory comprising of construction materials and traded goods has been conducted by the management at reasonable intervals.
- (b) In our opinion and according to the information and explanations given to us, the procedure of physical verification of inventory followed by the management is reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) On the basis of our examination of records of inventory, in our opinion, the Company is maintaining proper records of inventory. No material discrepancy was noticed on physical verification of the inventory.
  
- 3 (a) The Company has not granted any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly in our opinion paragraphs 4(iii)(a) to 4(iii)(d) of the order are not applicable.
- (b) The company has taken unsecured loan from the Holding company. The maximum amount involved during the year was ₹2142.39 lacs and the year end balance is ₹ 249.72 lacs.
- (c) The terms and conditions of such loan are not prima facie prejudicial to the interest of the company.
- (d) According to the information and explanations given to us, the principal amount of such loan is repayable on demand.
  
- 4 In our opinion and according to information and explanation given to us; there is adequate internal control system commensurate with the size of the Company and the nature of its business, with regard to purchase of inventory comprising construction materials and traded goods, fixed assets and with regard to the sale of goods and services.

During the course of our audit, we have not observed any major weakness in the internal controls.





- 5 (a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 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 and arrangements referred to in (a) above and exceeding the value of ₹ 5 lacs with any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- 6 The company has not accepted any deposits from the public within the meaning of Section 58A and 58AA of the Companies Act, 1956.
- 7 According to information and explanations given to us, the company has set up an in house internal audit department the internal audit system is adequate looking to the size and nature of the business.
- 8 According to 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 in respect of services carried out by the company.
- 9 (a) According to information and explanation given to us, and on the basis of our examination of the books of accounts, the company has been 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, service tax, custom duty, excise duty, cess and other material statutory dues applicable to it.
- (b) According to the information and explanations given to us, the Company had no disputed outstanding statutory dues as at 31st March, 2012.
- 10 Since the company has not completed five years of incorporation, the paragraph 4(iii)(x) is not applicable.
- 11 According to the records of the company examined by us and on the basis of information and explanations given to us, the company has neither taken any loans from a financial institutions and a bank nor issued any debentures. Accordingly paragraph 4(xi) of the order is not applicable.
12. The company has not granted any loans and advances on the basis of securities by way pledge of shares, debentures and other securities. Accordingly paragraph 4(xii) of the order is not applicable.
13. The company is not Chit fund, Nidhi, Mutual Benefit Funds or a Society. Accordingly paragraph 4(xiii) of the order is not applicable.
14. The Company is not dealing or trading in shares, securities, debentures or other investments and hence the requirements of paragraph 4 (xiv) are not applicable to the company.



15. In our opinion and according to the information and explanation given to us, the company has not given any guarantee for loans taken by others from banks and financial institutions during the year. Accordingly paragraph 4(xv) of the order is not applicable.
16. On the basis of an overall examination of the balance sheet of the company in our opinion and according to the information and explanations given to us, we report that company has utilised funds raised on short term basis for long term investments to the tune of ₹ 1838.55 lacs (previous year ₹ 38.43 Lacs).
17. On the basis of an overall examination of the balance sheet of the company in our opinion and according to the information and explanations given to us, the company has not raised any funds on short term basis which has been used for long term investment.
18. The company has not made any preferential allotment to parties and companies covered under register maintained under section 301 of The Companies Act, 1956 during the year. Accordingly paragraph 4(xviii) of the order is not applicable.
19. During the period covered by audit report, the company has not issued any debentures. Accordingly paragraph 4(xix) of the order is not applicable.
20. The company has not raised any money by public issues during the year. Accordingly paragraph 4(xx) of the order is not applicable.
21. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the period under review.

**FOR G. K. CHOKSI & CO.**

[Firm Registration No. 101895W]

*Chartered Accountants*

*Rohit Choksi*  
ROHIT K. CHOKSI

Partner

Mem. No.: 31103

Place : Ahmedabad  
Date : 21<sup>st</sup> April, 2012



**ARVIND ACCEL LIMITED**

**Balance Sheet as at 31st March, 2012**

[Amount in ₹]

Particulars	Notes	31st March, 2012	31st March, 2011
<b>Equity and Liabilities</b>			
<b>Shareholders' Fund</b>			
Share Capital	2.1	5 00 000	5 00 000
Reserves and Surplus	2.2	( 4 93 50 622)	6 86 644
		( 4 88 50 622)	11 86 644
<b>Non-Current liabilities</b>			
Deferred tax liabilities (Net)	2.3	5 65 532	3 43 245
Long term provisions	2.4	7 74 389	1 09 680
Other Long term Liabilities	2.5	8 61 792	-
		22 01 713	4 52 925
<b>Current liabilities</b>			
Short term borrowings	2.6	19 04 30 300	1 29 00 000
Trade payables	2.7	1 05 65 651	1 59 00 934
Other current liabilities	2.8	7 57 38 283	6 87 47 883
Short term provisions	2.9	1 62 927	63 428
		27 68 97 161	9 76 12 245
<b>Total</b>		<b>23 02 48 252</b>	<b>9 92 51 814</b>
<b>Assets</b>			
<b>Non-Current assets</b>			
Fixed assets			
Tangible assets	2.10	1 08 85 858	49 50 552
Intangible assets	2.11	4 18 035	79 220
Intangible assets under development	2.12	12 42 42 254	-
		13 55 46 147	50 29 772
Non-current investments	2.13	1 00 000	-
<b>Current Assets</b>			
Inventories	2.14	1 06 64 732	1 66 26 852
Trade receivables	2.15	2 86 06 061	2 82 05 860
Cash & cash equivalents	2.16	68 30 506	92 58 695
Short term - Loans & advances	2.17	2 32 00 598	1 76 07 769
Other current assets	2.18	2 53 00 208	2 25 22 866
		9 46 02 105	9 42 22 042
<b>Total :</b>		<b>23 02 48 252</b>	<b>9 92 51 814</b>

Significant Accounting Policies 1  
Notes forming part of accounts 2

The accompanying notes are an integral part of the financial statements.

As per our report of even date

**FOR G. K. CHOKSI & CO.**

[Firm Registration No. 101895W]

Chartered Accountants

*Ronit Choksi*  
**RONIT K. CHOKSI**  
Partner

Place : Ahmedabad  
Date : 21st April, 2012



**FOR AND ON BEHALF OF THE BOARD**

*JKS Jape*  
Director

Director

Place : Ahmedabad  
Date : 21st April, 2012

*PSL*  
*Punit Lalbhai*  
Director

Director

ARVIND ACCEL LIMITED

Statement of Profit and Loss for the year ended 31st March, 2012

[Amount in ₹]

Particulars	Notes	31st March, 2012	31st March, 2011
<b>Continuing Operations</b>			
<b>Income</b>			
Revenue from operations	2.19	17 40 17 915	17 13 15 170
Other Income	2.20	5 32 674	12 33 781
<b>Total Revenue</b>		<b>17 45 50 589</b>	<b>17 25 48 951</b>
<b>Expenses</b>			
Operating Expenses	2.21	17 31 57 701	13 89 88 646
Purchase of Traded Goods		64 47 427	22 63 782
Changes in inventories	2.22	-	10 86 234
Employee benefits expenses	2.23	1 63 42 901	1 66 70 390
Finance costs	2.24	1 26 49 425	50 75 909
Depreciation and amortization expenses		7 15 647	3 54 200
Administrative and other expenses	2.25	1 50 52 467	74 40 349
<b>Total Expenses</b>		<b>22 43 65 568</b>	<b>17 18 79 510</b>
<b>Profit before Tax</b>		<b>( 4 98 14 979)</b>	<b>6 69 441</b>
<b>Tax Expenses</b>			
Current Tax		-	1 11 000
Deferred Tax		2 22 287	4 24 235
		<b>2 22 287</b>	<b>5 35 235</b>
<b>Profit for the year from continuing operation</b>		<b>( 5 00 37 266)</b>	<b>1 34 206</b>
<b>Earnings per equity share:</b>			
Basic and diluted (₹)		<b>( 1 000.75)</b>	<b>2.68</b>

Significant Accounting Policies 1  
Notes forming part of accounts 2

The accompanying notes are an integral part of the financial statements.

As per our report of even date

FOR G. K. CHOKSI & CO.

[Firm Registration No. 101895W]

Chartered Accountants

ROHIT K. CHOKSI

Partner

Place : Ahmedabad

Date : 21st April, 2012



FOR AND ON BEHALF OF THE BOARD

JKS

Director

Place : Ahmedabad

Date : 21st April, 2012

PSL

Punit Kalbhavi

Director

**ARVIND ACCEL LIMITED**

**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2012**

[Amount in ₹]

Particulars	For the year ended 31/03/2012	For the year ended 31/03/2011
<b>A. Cash flow from operating activities</b>		
Profit/(Loss) for the year before taxation and exceptional items	(4 98 14 979)	6 69 441
<b>Adjustments for</b>		
Depreciation and amortisation	7 15 647	3 54 200
Loss on Sale of Assets	1 35 330	1 80 247
Interest Expenses	1 26 49 425	50 75 909
Interest Income	( 2 88 920)	( 3 05 474)
Operating profit before working capital changes	<u>(3 66 03 497)</u>	<u>59 74 323</u>
<b>Adjustments for</b>		
Inventories	59 62 120	(1 01 61 501)
Trade and other receivables	( 4 00 201)	(1 20 21 770)
Short term Loans and Advances	( 64 44 120)	(2 55 08 387)
Current Liabilities and long term provisions	18 08 11 417	5 12 14 961
Cash generated from operations	<u>14 33 25 719</u>	<u>94 97 626</u>
Direct taxes Refund/(paid)	( 22 47 103)	( 29 55 663)
<b>Net Cash from Operating Activities</b> [A]	<u><b>14 10 78 616</b></u>	<u><b>65 41 964</b></u>
<b>B. Cash flow from investing activities</b>		
Purchase of Fixed Assets	( 72 12 898)	( 24 71 977)
Intangible Asset under development	(12 42 42 254)	0
Sale of Fixed Assets	87 800	1 84 446
Interest Received	6 09 972	1 13 541
<b>Net cash used in investing activities</b> [B]	<u><b>(13 07 57 379)</b></u>	<u><b>( 21 73 990)</b></u>
<b>C. Cash flow from financing activities</b>		
Purchase of investment	( 1 00 000)	0
Interest Paid	(1 26 49 425)	( 50 75 909)
<b>Net cash flow from financial activities</b> [C]	<u><b>(1 27 49 425)</b></u>	<u><b>( 50 75 909)</b></u>
<b>Net Increase/(Decrease) in cash and cash equivalents</b> [A+B+C]	<u><b>( 24 28 188)</b></u>	<u><b>( 7 07 936)</b></u>
Cash and cash equivalents opening	<u>92 58 694</u>	<u>99 66 630</u>
Cash and cash equivalents closing	<u><u>68 30 506</u></u>	<u><u>92 58 694</u></u>

**Explanatory Notes to Cash Flow Statement**

- The Cash Flow Statement is prepared in accordance with the format prescribed by Accounting Standard 3 as prescribed by The Institute of Chartered Accountants of India.
- In Part A of the Cash Flow Statements, figures in brackets indicates deductions made from the net profit for deriving the cash flow from operating activities. In part B & part C, figures in brackets indicates cash outflows.
- Figures of the previous year have been regrouped wherever necessary, to confirm to current years presentation.

As per our attached report of even date

**FOR G. K. CHOKSI & CO.**

[Firm Registration No. 101895W]  
Chartered Accountants

*ROHIT CHOKSI*  
ROHIT K. CHOKSI  
Partner



**FOR AND ON BEHALF OF THE BOARD**

*JKS*  
Director

*PSL*  
*Punit Salunkha*  
Director

Place: Ahmedabad  
Date : 21st April, 2012

Place: Ahmedabad  
Date : 21st April, 2012

NOTE - '1' : SIGNIFICANT ACCOUNTING POLICIES

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(i) **Accounting Conventions**

These financial statements have been prepared on the accrual basis of accounting, under the historical cost convention, in accordance with the Companies Act, 1956, the applicable accounting standards notified by The Companies Accounting Standard Rules, 2006 and the Guidance note issued by the Institute of Chartered Accountants of India.

(ii) **Use of Estimates**

The presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reported period. Differences between the actual result and estimates are recognized in the period in which the results are known/ determined.

(iii) **Inventories**

Inventory comprising of construction materials at site and traded goods are valued at cost. Shuttering Materials are amortized over a period of three years.

(iv) **Recognition of Revenue from Contractual Projects:**

- (a) Revenues from consultancy services are recognized when services are rendered.
- (b) Contract revenue and contract cost associated with the construction contracts and project contracts are recognized as revenue and expense respectively by reference to the stage of completion of the contract activity at the reporting date.

The expenditure incurred for construction contracts and project contracts that relate to future activity on the contract considered and classified as contract work in progress. The expenditures which are incurred for construction contract but yet to be billed are considered and classified as unbilled contract cost.

Percentage of completion is determined by the proportion that contract cost incurred for work performed up to reporting date bears to the estimated total contract cost.

- (c) Sale of traded goods is recognized when the company has transferred to the buyer, the property in the goods, for a price, or all significant risks and rewards of ownership have been transferred to the buyer without the company retaining any effective control over the goods. Sales are stated at contractual realizable values, net of trade discounts.

(v) **Fixed Assets**

Fixed Assets are stated at their original cost including incidental expenses related to acquisition and installation, less accumulated depreciation. Cost comprises of the purchase price and any other attributable cost of bringing the assets to its working condition for its intended use.

At the balance sheet date, an assessment is done to determine whether there is any indication of impairment in the carrying amount of Company's fixed assets. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.



NOTE - '1' : SIGNIFICANT ACCOUNTING POLICIES

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After recognition of impairment loss, the depreciation charge for the assets is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value (if any), on straight line basis over its remaining useful life.

(vi) **Depreciation**

Depreciation on Fixed Asset is provided, pro rata for the period of use, on Straight Line Method (SLM), as per rates specified in the Schedule XIV to the Companies Act, 1956.

(vii) **Investments**

Investment has been stated at the cost price. Provision for diminution in the value of Long Term Investment is made only if; such decline is not temporary in nature in the opinion of the management.

(viii) **Retirement Benefits**

- (a) Contributions to provident fund are made at predetermined rates to Government Authority and charged to profit and loss account.
- (b) Retirement Benefits being Gratuity are accounted for based on actuarial valuation by the independent valuer.
- (c) Leave Encashment which has been en cashable within one year has been accounted on actual basis.

(ix) **Segment Reporting**

The accounting policies adopted for segment reporting are in the line with accounting policy of the company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue, expenses, assets and liabilities which relate to the company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities."

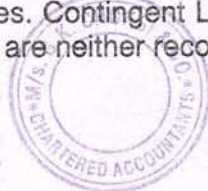
(x) **Taxation**

Provision for income tax is based on the assessable profits computed in accordance with the provisions of the Income-tax Act, 1961.

Deferred income taxes are recognised for the future tax consequences attributable to timing differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. The effect on deferred tax assets and liabilities of a change in the tax rates is recognised using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets arising from unabsorbed depreciation or carry forward losses under tax laws are recognised only to the extent that there is virtual certainty of realisation. Other deferred tax assets are recognised and carried forward to the extent that there is reasonable certainty of realisation.

(xi) **Provisions, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the Notes. Contingent Assets are neither recognised nor disclosed in the financial statements.



**ARVIND ACCEL LIMITED**

**2 Notes forming part of accounts**

**2.1 Share Capital**

[Amount in ₹]

Particulars	2011-2012	2010-2011
<b>(a) Authorised</b>		
50,000 (P.Y.50,000) Equity Shares of ₹10/- each	5 00 000	5 00 000
<b>(b) Issued, Subscribed and fully Paidup</b>		
50,000 (P.Y.50,000) Equity Shares of ₹10/- each Fully Paid up	5 00 000	5 00 000

**Note :**

During the period of five financial years immediately preceeding the Balance Sheet date, the company has not:

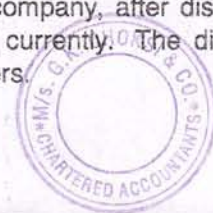
- (i) allotted any fully paidup equity shares by way of bonus shares;
- (ii) allotted any equity shares pursuant to any contract without payment being received in cash;
- (iii) brought back any equity shares

**(c) Reconciliation of number of shares**

Particulars	Number of Equity Shares	
	2011-2012	2010-2011
<b>As at April 1, 2011</b>	50000	500000
<b>Add</b>		
Shares issued for Cash or Right Issue or Bonus	0	0
Exercise of Share Option under ESOS / ESOP	0	0
Shares issued in Business Combination	0	0
	50000	500000
<b>Less</b>		
Shares bought back / Redemption etc.	0	0
<b>As at March 31, 2012</b>	50000	500000

**(d) Rights, Preferences and Restrictions**

- (i) The company has only one class of shares referred to as equity shares having a par value of Rs. 10/- . Each holder of equity shares is entitled to one vote per share. However no equity shareholder shall exercise any voting rights in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised any right of lien. Further a member paying the whole or part of amount remaining unpaid on any shares held by him although no part of that amount has been called up shall not be entitled to vote.
- (ii) The holders of equity shares are entitled to receive dividends as declared from time to time. No dividend shall be payable except out of profits of the Company arrived at in the manner provided for in Section 205 of the Companies Act.
- (iii) All shares rank equally with regard to Company's residual assets, except that preference shareholders participate only to the extent of the face value of shares. Accordingly in the event of liquidation of the company the holders of the equity shares will be entitled to received any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amount exist currently. The distribution will be in proportion to the number of equity shares held by shareholders.





**ARVIND ACCEL LIMITED**

**2 Notes forming part of accounts**

**(e) Details of Shareholdings**

**Number of Shares held by Holding Enterprise**

Particulars	Number of Equity Shares		Value ₹	
	2011-2012	2010-2011	2011-2012	2010-2011
Arvind Limited	50000	50000	5 00 000	5 00 000

**Shareholders holding more than 5% shares**

Particulars	Number of Equity Shares		Value ₹	
	2011-2012	2010-2011	2011-2012	2010-2011
Arvind Limited (100%)	50000	50000	5 00 000	5 00 000

- (f) The company has not issued any share capital which may be used for specific purpose as on balance sheet date.
- (g) The company does not have any shares which have been reserved for issue under options and contract / commitments for the sale of share / disinvestment.
- (h) The company has not issued any preference shares either convertible in to equity or non convertible.
- (i) The Company does not have any calls in arrears / unpaid calls and has not forfeited any shares at balance sheet date.

**2.2 Reserves and surplus**

[Amount in ₹]

Particulars	2011-2012	2010-2011
<b>Surplus / (Deficit) in Statement of Profit &amp; Loss</b>		
Balance as per previous financial statements	6 86 644	5 52 438
Add : Profit for the year	( 5 00 37 266)	1 34 206
Balance available for appropriation	( 4 93 50 622)	6 86 644
Less : Appropriations	-	-
<b>Net Surplus / (Deficit)</b>	<b>( 4 93 50 622)</b>	<b>6 86 644</b>

**2.3 Deferred tax liabilities (Net)**

[Amount in ₹]

Particulars	2011-2012	2010-2011
<b>Deferred Tax Liabilities</b>		
Difference of book depreciation and tax depreciation	5 65 532	3 43 245
<b>Net Deferred Tax Liability / (Asset)</b>	<b>5 65 532</b>	<b>3 43 245</b>



**ARVIND ACCEL LIMITED**

**2 Notes forming part of accounts**

**2.4 Long term provisions**

[Amount in ₹ ]

Particulars	2011-2012	2010-2011
For Employee Benefits Gratuity (Net)	7 74 389	1 09 680
	<u>7 74 389</u>	<u>1 09 680</u>

**2.5 Other Long term Liabilities**

[Amount in ₹ ]

Particulars	2011-2012	2010-2011
Security deposits - Employees	8 61 792	-
	<u>8 61 792</u>	<u>-</u>

**2.6 Short term borrowings**

[Amount in ₹ ]

Particulars	2011-2012	2010-2011
<b>Unsecured</b>		
Loans Repayable on demand		
Related parties	1 18 30 300	1 29 00 000
Other - Intercorporate Deposit	17 86 00 000	-
	<u>19 04 30 300</u>	<u>1 29 00 000</u>

**2.7 Trade payables**

[Amount in ₹ ]

Particulars	2011-2012	2010-2011
<b>For Goods and Services</b>		
From Related Party	-	1 91 174
From Others	1 05 65 651	1 57 09 760
	<u>1 05 65 651</u>	<u>1 59 00 934</u>

(Refer Note No. 2.35 for Micro, Small and Medium Enterprise)



**ARVIND ACCEL LIMITED**

**2 Notes forming part of accounts**

**2.8 Other current liabilities**

[Amount in ₹]

Particulars	2011-2012	2010-2011
Advances from Customers		
Related parties	5 38 59 560	1 36 50 000
Others	<u>40 93 860</u>	<u>4 54 28 743</u>
	<u>5 79 53 420</u>	<u>5 90 78 743</u>
Interest Accrued and due on short term borrowings		
Related parties	1 31 42 062	33 09 392
Other parties - Intercorporate Deposit	<u>2 69 735</u>	<u>-</u>
	<u>1 34 11 797</u>	<u>33 09 392</u>
Other Payables		
Retention money	26 15 939	12 61 959
Statutory dues	<u>17 57 127</u>	<u>50 97 789</u>
	<u>43 73 066</u>	<u>63 59 748</u>
	<u>7 57 38 283</u>	<u>6 87 47 883</u>

**2.9 Short term provisions**

[Amount in ₹]

Particulars	2011-2012	2010-2011
Employee Benefits		
Leave Encashment	1 62 927	63 428
	<u>1 62 927</u>	<u>63 428</u>



ARVIND ACCEL LIMITED

2 Notes forming part of accounts

2.10 Non Current Assets

[Amount in ₹]

Description of Assets	Gross Block at Cost			Depreciation		Net Book Value				
	As at April 01, 2011	Additions during the year	Deletions/ Adjustment during the year	As at March 31, 2012	Up to March 31, 2012	For the year	Deletions/ Adjustment during the year	Up to March 31, 2012	As at March 31, 2012	As at March 31, 2011
Plant and Machinery	36 87 027	2 47 618	2 41 500	36 93 145	1 87 461	1 82 382	25 802	3 44 041	33 49 104	34 99 566
Furniture & Fixture	1 28 058	2 56 087	-	3 84 145	11 504	14 112	-	25 616	3 58 529	1 16 554
Office Equipments	62 500	83 083	7 800	1 37 783	3 196	4 378	368	7 206	1 30 577	59 304
Computer	5 99 252	20 89 281	-	26 88 533	58 041	2 04 376	-	2 62 417	24 26 116	5 41 211
Vehicle	8 29 138	41 53 068	-	49 82 206	95 221	2 65 453	-	3 60 674	46 21 532	7 33 917
<b>Total :</b>	<b>53 05 975</b>	<b>68 29 137</b>	<b>2 49 300</b>	<b>1 18 85 812</b>	<b>3 55 423</b>	<b>6 70 701</b>	<b>26 170</b>	<b>9 99 954</b>	<b>1 08 85 858</b>	<b>49 50 552</b>
<b>Previous Year</b>	<b>33 86 014</b>	<b>23 88 243</b>	<b>4 68 282</b>	<b>53 05 975</b>	<b>1 09 326</b>	<b>3 49 686</b>	<b>1 03 589</b>	<b>3 55 423</b>	<b>49 50 552</b>	



ARVIND ACCEL LIMITED

2 Notes forming part of accounts

2.11 Non Current Assets

Intangible assets

[Amount in ₹]

Description of Assets	Gross Block at Cost			Amortisation		Net Book Value			
	As at April 01, 2011	Additions during the year	Deletions/ Adjustment during the year	As at March 31, 2012	For the year	Deletions/ Adjustment during the year	Up to March 31, 2012	As at March 31, 2012	As at March 31, 2011
Softwares	83 734	3 83 761	-	4 67 495	44 946	-	49 460	4 18 035	79 220
Total :	83 734	3 83 761	-	4 67 495	44 946	-	49 460	4 18 035	79 220
Previous Year	-	83 734	-	83 734	4 514	-	4 514	79 220	-



ARVIND ACCEL LIMITED

2 Notes forming part of accounts

2.12 Intangible Asset Under Development

[Amount in ₹ ]

Particulars	As at		Deductions/ Adjustment	Capitalised	As at 31/03/2012
	01/04/2011	Additions			
Technical Know-How	-	12 42 42 254	-	-	12 42 42 254
<b>Total:</b>	0.00	12 42 42 254	0.00	0.00	12 42 42 254



**ARVIND ACCEL LIMITED**

**2 Notes forming part of accounts**

**2.13 Non current investments**

[Amount in ₹ ]

Particulars	2011-2012	2010-2011
<b>Unquoted, Trade</b>		
<i>Refer Note No. 1(vii)</i>		
<b>In Subsidiary Company</b>		
Arvind Envisol Private Limited	1 00 000	-
(10,000 Equity Shares at ₹ 10 each)		
	<u>1 00 000</u>	<u>-</u>

**2.14 Inventories**

(As taken, valued and certified by the Management)

[Amount in ₹ ]

Particulars	2011-2012	2010-2011
Stores	67 87 767	94 26 059
Stock of Shuttring Materials At site	38 76 965	72 00 793
	<u>1 06 64 732</u>	<u>1 66 26 852</u>

(Refer Note 1(iii)) for mode of valuation

**2.15 Trade Receivable**

(Unsecured, considered good, unless otherwise stated)

[Amount in ₹ ]

Particulars	2011-2012	2010-2011
Debt outstanding for the period exceeding six months	24 74 021	24 71 877
Others debts	2 61 32 040	2 57 33 983
	<u>2 86 06 061</u>	<u>2 82 05 860</u>

Amount due from Directors and Officers ₹ NIL (P.Y. ₹ NIL)

**2.16 Cash and Cash Equivailents**

[Amount in ₹ ]

Particulars	2011-2012	2010-2011
Balances with scheduled banks		
Current	37 39 742	32 94 827
Cash in hand	4 14 201	9 63 868
Other bank Balances		
Fixed Deposit as margin Money (3 to 12 Months)	26 76 563	50 00 000
	<u>26 76 563</u>	<u>50 00 000</u>
	<u>68 30 506</u>	<u>92 58 695</u>



**ARVIND ACCEL LIMITED**

**2 Notes forming part of accounts**

**2.17 Short-term loans and advances**

(Considered good, unsecured unless otherwise stated)

[Amount in ₹ ]

Particulars	2011-2012	2010-2011
Advances		
Related Party	19 62 339	5 92 661
Others	48 13 666	38 64 470
	<u>67 76 005</u>	<u>44 57 131</u>
Advances to Staff	43 741	1 11 730
Advance Tax & TDS (Net of Provision)	67 96 645	45 49 542
Others		
Balance with Revenue Authorities	87 62 403	80 46 897
Prepaid Expenses	8 21 804	4 42 469
	<u>95 84 207</u>	<u>84 89 366</u>
	<u>2 32 00 598</u>	<u>1 76 07 769</u>

**2.18 Other Current Assets**

[Amount in ₹ ]

Particulars	2011-2012	2010-2011
Interest accrued but not not due :		
Deposits & Other Recoverables	29 942	3 50 994
Unbilled Cost	2 44 84 936	2 14 43 042
Deposits		
Earnest Money Deposit	7 12 180	2 15 250
Others	63 150	5 03 580
	<u>7 75 330</u>	<u>7 18 830</u>
Other Bank balances		
With maturity for more than 12 month	10 000	10 000
	<u>2 53 00 206</u>	<u>2 25 22 866</u>





**ARVIND ACCEL LIMITED**

**2 Notes forming part of accounts**

**2.19 Revenue from operations**

[Amount in ₹ ]

Particulars	2011-2012	2010-2011
Contract Revenue	15 84 95 067	16 55 59 485
Sale of Traded Goods	74 22 250	38 08 618
Consultancy	23 31 004	16 41 711
Other Operating Revenue		
Commission	9 28 304	3 05 356
Scrap Sales	48 41 290	-
	<u>57 69 594</u>	<u>3 05 356</u>
	<u>17 40 17 915</u>	<u>17 13 15 170</u>

**2.20 Other Income**

[Amount in ₹ ]

Particulars	2011-2012	2010-2011
Interest Income		
From Bank	2 88 920	3 05 474
Other Non-Operating Income		
Sundry Credit Balance Written Back	2 13 849	9 02 797
Excess Provision for Income Tax	29 747	-
Miscellaneous	158	25 510
	<u>2 43 754</u>	<u>9 28 307</u>
	<u>5 32 674</u>	<u>12 33 781</u>

**2.21 Operating Expenses**

[Amount in ₹ ]

Particulars	2011-2012	2010-2011
Contract Expenses	16 86 29 196	13 70 93 705
Labour charges	1 03 544	58 161
Liquidated damages	26 00 000	1 80 216
Site Expenses	3 51 133	2 91 101
Retainership Expenses	-	7 30 513
Consultancy Charges	14 73 826	6 34 950
	<u>17 31 57 701</u>	<u>13 89 88 646</u>

**2.22 Changes in Inventories**

[Amount in ₹ ]

Particulars	2011-2012	2010-2011
Closing Stock		
Traded Goods	-	-
Opening Stock		
Traded Goods	-	10 86 234
<b>Decrease / (Increase) in Inventories</b>	<u>-</u>	<u>10 86 234</u>



**ARVIND ACCEL LIMITED**

**2 Notes forming part of accounts**

**2.23 Employees Benefits Expenses**

[Amount in ₹ ]

Particulars	2011-2012	2010-2011
Salary, Allowances, Wages & Bonus	1 49 08 809	1 59 36 116
Contribution to Provident & other funds	14 34 092	7 34 274
	<b>1 63 42 901</b>	<b>1 66 70 390</b>

**2.24 Finance Cost**

[Amount in ₹ ]

Particulars	2011-2012	2010-2011
Interest on:		
Short Term Borrowings	1 12 24 895	36 77 102
Other Borrowings Cost		
Bank Guarantee Commission	14 24 530	13 98 807
	<b>1 26 49 425</b>	<b>50 75 909</b>

**2.25 Administration and other Expenses**

[Amount in ₹ ]

Particulars	2011-2012	2010-2011
Rent	82 000	13 000
Repairs and Maintenance:		
Buildings	87 970	-
Equipments	41 680	1 68 983
Others	-	25 060
	<b>1 29 650</b>	<b>1 94 043</b>
Insurance	2 28 925	72 015
Raes and Taxes	86 58 107	47 15 218
Auditors Remuneration	1 10 300	1 00 000
Travelling Expenses	10 61 871	10 35 415
Selling and Distribution Expense		
Advertisement	3 89 352	78 552
Others	18 170	11 150
	<b>4 07 522</b>	<b>89 702</b>
Interest on Payment of Service Tax	15 77 643	90 213
Exceeds provision of income written off	10 92 397	-
Loss on Sale of Fixed assets	1 35 330	1 80 247
Miscellaneous Expenses	15 68 722	9 50 496
	<b>1 50 52 467</b>	<b>74 40 349</b>



**ARVIND ACCEL LIMITED**

**NOTE - '2' : NOTES FORMING PART OF THE ACCOUNTS**

**2.26 Contingent Liabilities and Capital commitments**

[Amount in ₹]

Particulars	2011-2012	2010-2011
Contingent Liabilities	NIL	NIL
Bank Gaurantee	2,25,99,796	4,12,99,749
Capital Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	NIL	NIL

**2.27 The disclosure in respect of contract revenue recognized cost incurred and other details as required under AS 7 on Construction Contracts are given as under:**

[Amount in ₹]

Particulars	2011-2012	2010-2011
Contract Revenue recognized as revenue in the year	15,84,95,067	16,55,59,484
Contract Cost incurred and recognized Profits (less recognized losses) upto the reporting date	15,84,95,067	16,55,59,484
Advance Received	5,79,53,420	5,70,79,244
Gross amount due from customers for contract work including unrealized debtors	2,,86,06,061	2,82,05,860

Contract Revenue and Contract Costs are recognised on the basis of percentage completion method and percentage of completion is determined by the proportion that contract cost incurred for work performed up to reporting date bears to the estimated total contract cost.

**2.28 Employee Benefits**

(a) Defined contribution to Provident fund

The company makes contribution towards employees' provident fund. Under the rules of this scheme, the Company is required to contribute a specified percentage of payroll costs. The Company during the year recognized ₹13,62,811/- (P. Y. ₹ 6,09,912/-) as expense towards contribution to this plan.



NOTE - '2' : NOTES FORMING PART OF THE ACCOUNTS

(b) Liability for gratuity

The company has provided for employee gratuity benefits liability based on the actuarial valuation done Life Insurance Corporation of India.

Disclosures for defined benefit plans based on actuarial reports as on March 31, 2012:

[Amount in ₹]

Particulars	2011-2012	2010-2011
<b>Changes in Present Value of Obligations</b>		
Present Value of Obligation as at the beginning of the year	2,42,133	1,10,318
Interest Cost	NIL	NIL
Current Service Cost	6,49,992	1,31,815
Actuarial (gain) / Loss on obligations	1,50,316	NIL
Benefits paid	NIL	NIL
Present value of Obligation as at the end of the year	10,42,441	2,42,133
<b>Changes in fair value of plan assets</b>		
Fair Value of Plan Assets at the beginning of the year	1,32,453	NIL
Expected Return on Plan Assets	10,599	7,453
Contributions	1,25,000	1,25,000
Actuarial Gain / (loss) on Plan Assets	NIL	NIL
Benefits paid	NIL	NIL
Fair Value of Plan Assets at the end of the year	2,68,052	1,32,453
<b>Amount recognized in balance sheet</b>		
Present Value of Obligations as at the end of the year	10,42,441	2,42,133
Fair value of plan Assets as at the end of the year	2,68,052	1,32,453
Net Liability / (Asset) recognized in Balance sheet	7,74,389	1,09,680
<b>Expenses recognized in the Profit and loss account</b>		
Current Service Cost	6,49,992	1,31,815
Interest Cost	NIL	NIL
Expected Return on Plan Assets	10,599	7,453
Net actuarial (gain) / loss recognized in the year	1,50,316	NIL
Expenses Recognized in the statement of Profit & Loss*	7,89,709	1,24,362
<b>Assumptions</b>		
Discount rate	8.00%	8.00%
Rate of increase in compensation levels	7%	7%
Rate of return on plan assets	6.75%	6.75%
Age of Retirement	58 Years	58 Years

2.29 Segment Reporting

During the year under review, the Company operates within a solitary business segment i.e. execution of projects on turnkey basis, the disclosure requirements of Accounting Standard – 17 “Segment Reporting” issued by the Institute of Chartered Accountants of India is not applicable.



**ARVIND ACCEL LIMITED**

**NOTE - '2' : NOTES FORMING PART OF THE ACCOUNTS**

**2.30 Related Party Disclosures**

As per Accounting Standard 18, issued by the Institute of Chartered Accountants of India, the disclosures of transactions with the related parties as defined in the Accounting Standard are given below:

- (a) *List of related parties with whom transactions have taken place during the year and relationship:*

Sr. No.	Name of related party	Relationship
1	Arvind Limited	Holding Company
2	Arvind Envisol Private Limited	Subsidiary
3	Anup Engineering Limited	Fellow Subsidiary
4	Arvind Infrastructure Limited	Fellow Subsidiary

- (b) *Transactions with related parties*

[Amount in ₹]

Sr. No.	Nature of transaction	2011-2012	2010-2011
(i)	Purchase of Goods - Holding Company	--	80,368
(ii)	Interest Expense - Holding Company	1,09,25,189	36,77,102
(iii)	Reimbursement of Expenses - Holding Company	4,65,231	1,45,027
(iv)	Expense incurred on behalf of - Holding Company	--	2,02,564
(v)	Excess provision for income/(Expenses) written off - Holding Company - Fellow Subsidiary	4,38,662 6,53,735	-- --
(vi)	Sale of Goods - Holding Company	95,13,863	35,41,200
(vii)	Sale of Services - Holding Company	3,56,56,372	1,40,49,781
(viii)	Sale of Services - Fellow Subsidiary	4,09,491	1,84,587
(ix)	Loans Taken - Holding Company	25,26,50,189	9,65,77,102
(x)	Loans Repaid - Holding Company	24,38,87,219	8,03,67,710
(xi)	Reimbursement of Tax Deducted at Source - Holding Company	1,18,05,300	--
(xii)	Advances Given - Holding Company - Subsidiary Company	19,46,419 15,920	--



**ARVIND ACCEL LIMITED**

**NOTE - '2' : NOTES FORMING PART OF THE ACCOUNTS**

(b) *Transactions with related parties.... Continued..*

[Amount in ₹]

Sr. No.	Nature of transaction	2011-2012	2010-2011
(xiii)	Advance received from Customers		
	- Holding Company	3,85,67,210	1,36,50,000
	- Subsidiary Company	1,50,00,000	--
(xiv)	Investment in Subsidiary Company	1,00,000	--
(xv)	Outstanding Balances as at March, 31 <sup>st</sup> 2012		
	Due to Holding Company		
	- Advances against contract	3,85,67,210	1,36,50,000
	- Unsecured Loans	2,49,72,362	1,62,09,392
	Due by Holding Company		
	- As Short term Advances	19,46,419	5,92,661
	- As Sundry Debtors	17,70,027	17,58,168
	Due to Subsidiary Company		
	- Advances against contract	1,50,00,000	--
	Due to Subsidiary Company		
	- As Short term Advances	15,920	--
	Investment in Subsidiary Company	1,00,000	--
	Due to Fellow Subsidiary Company		
	- As Sundry Debtors	--	6,53,735

**2.31 Particulars of Earning per Share:**

Particulars	2011-2012	2010-2011
Net Profit/(Loss) for the year (Amount in ₹)	( 5,00,37,266)	1,34,205
Number of equity shares (Weighted Average )	50000	50000
Nominal value of the share	10	10
Basic and diluted Earning per Share (₹)	(1000.75)	2.68

During the year under review the company has not issued any new equity shares.

**2.32** Balances of debtors, creditors, loans, advances and deposits are subject to confirmation by the parties concerned.

**2.33 Auditors' Remuneration is made up of :**

[Amount in ₹]

Particulars	2011-2012	2010-2011
Statutory Audit Fees	1,10,300	1,00,000
<b>Total :</b>	<b>1,10,300</b>	<b>1,00,000</b>



**ARVIND ACCEL LIMITED**

**NOTE - '2' : NOTES FORMING PART OF THE ACCOUNTS**

Statutory Audit Fees		1,10,300	1,00,000
	Total :	1,10,300	1,00,000

**2.34** Additional information, to the extent applicable, required under para 5(8) of Part-II of the Schedule VI to the Companies Act, 1956.

(a) Value of Imports on CIF Basis : NIL

(b) Expenditure in Foreign Currency (on payment basis):

[ ` in lacs]

Particulars	2011-2012	2010-2011
Technical know how	16.24	--

(c) Earnings in Foreign Exchange: ` 9.28 lacs (Previous year ` 3.05 lacs).

**2.35** There are no Micro, Small and Medium Enterprises to whom the Company owes dues which are outstanding for more than 45 days as at the Balance Sheet date. Further, the company has neither paid or payable any interest to any Micro, Small and Medium Enterprise on the Balance Sheet date.

The above information has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

**2.36** The previous year's figures have been reworked, regrouped and reclassified wherever necessary so as to make them comparable with those of the current year.

As per our attached report of even date.

**FOR G. K. CHOKSI & Co.**  
Firm Registration No. 101895W  
Chartered Accountants

*Rohit Choksi*  
**ROHIT K. CHOKSI**  
Partner



Place : Ahmedabad  
Date : 21<sup>st</sup> April, 2012

**FOR AND ON BEHALF OF THE BOARD**

*JKS Jafe* — — — — —  
Director

*PSL Punit Lalbhai*  
Director

Place : Ahmedabad  
Date : 21<sup>st</sup> April, 2012