

SCOTT'S GARMENTS LIMITED
BALANCE SHEET AS AT 31ST MARCH 2018

Particulars		Note No.	As At 31st March, 2018	As At 31st March, 2017
			Rs.	Rs.
A	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	1	341,728,560	341,728,560
	(b) Reserves and surplus	2	219,843,757	2,780,852,402
			561,572,317	3,122,580,962
2	Non-current liabilities			
	(a) Long-term borrowings	3	77,385,426	703,812,271
	(b) Deferred tax liability (net)		3,403,472	495,305
	(c) Other long term liabilities	4	22,548,125	51,140,169
			103,337,023	755,447,746
3	Current liabilities			
	(a) Short-term borrowings	5	4,323,839,891	3,960,606,539
	(b) Trade payables	6	743,115,820	300,544,859
	(c) Other current liabilities	7	663,178,034	800,146,621
	(d) Short-term provisions	8	70,296,725	113,493,226
			5,800,430,471	5,174,791,245
	TOTAL		6,465,339,812	9,052,819,953
	ASSETS			
1	Non-current assets			
	(a) Fixed assets			
	(i) Tangible assets	9	1,522,969,750	1,690,019,971
	(b) Non-current investments	10	200,600,165	446,004,590
	(c) Long-term loans and advances	11	43,911,850	60,309,457
			1,767,481,765	2,196,334,017
2	Current assets			
	(a) Inventories	12	3,546,179,912	4,145,537,736
	(b) Trade receivables	13	818,635,198	1,788,650,808
	(c) Cash and cash equivalents	14	53,242,781	70,936,537
	(d) Short-term loans and advances	15	119,542,611	429,334,189
	(e) Other Current Assets	16	160,257,545	422,026,665
			4,697,858,047	6,856,485,936
	TOTAL		6,465,339,812	9,052,819,953

Notes are integral part of these Financial Statements

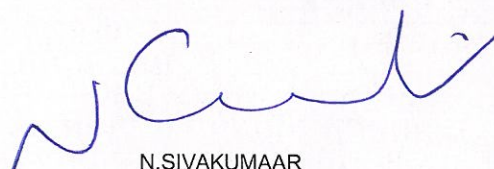
As per our report attached,
For D.K.Upendra & co
Chartered Accountants


D.K. Upendra
(Proprietor)

Membership No. 23390
Firm Reg No. 0068025



For M/s SCOTT'S GARMENTS LIMITED


N.SIVAKUMAAR
Resolution Professional



Place : Bangalore
Date : 22nd October 2018

SCOTTS GARMENTS LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

Particulars	Note No.	For the year ended 31 March, 2018	For the year ended 31 March, 2017
		Rs.	Rs.
Revenue from operations	17	3,758,710,169	6,599,036,526
Revenue from operations (net)		3,758,710,169	6,599,036,526
Expenses			
(a) Cost of materials consumed	19	2,929,311,619	4,302,948,792
(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	20	(332,913,060)	(389,682,402)
(c) Employee benefits expense	21	1,089,942,610	1,538,361,725
(d) Other expenses	23	565,152,688	469,572,959
Total		4,251,493,856	5,921,201,074
Earnings before exceptional items, extraordinary items, interest, tax, depreciation and amortisation -EBITDA		(492,783,687)	677,835,452
Finance costs	22	348,680,948	402,498,779
Depreciation and amortisation expense	9	198,606,626	236,379,610
Other income	18	27,891,146	72,504,591
Profit before exceptional and extraordinary items and tax		(1,012,180,115)	111,461,655
Exceptional and Extraordinary Items		-	-
Diminution in the value of Stock		1,504,512,223	
Loss on sale of shares		83,186,400	
Profit before tax		(2,599,878,738)	111,461,655
Tax expense:			
(a) Current tax expense for current year		-	23,344,000
(b) Deferred tax		2,908,167	(12,446,549)
© Tax of earlier years		(41,778,260)	
		(38,870,093)	10,897,451
Profit from continuing operations		(2,561,008,645)	100,564,203
Profit for the year transferred to General Reserve		(2,561,008,645)	100,564,203
Earnings per Equity share (in Rs.)			
Basic		(74.94)	2.94
Diluted		(74.94)	2.94

Notes are integral part of Balance Sheet & Profit & Loss account

As per our report attached,
For D.K.Upendra & co
Chartered Accountants

D.K. Upendra
(Proprietor)
Membership No. 23390
Firm Reg No. 0068025



Place: Bangalore
Date : 22nd October 2018

For SCOTTS GARMENTS LIMITED

(Signature)
N.SIVAKUMAAR
Resolution Professional



SCOTTS GARMENTS LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2018

(Rs. in lakhs)

Particulars	31.03.2018	31.03.2017
A. Cash Flow arising from operating Activities		
Net Profit before Tax as per Profit & Loss Account	-25,998.79	1114.62
Add/Deduct		
(a) Depreciation & Amortisation Expenses	1,986.07	2363.80
(b) Finance charge & loss on variation on foreign exchange rates	3,486.81	3,946.85
(c) Surplus on sale of Profit on Sale of Fixed Assets	(0.74)	(18.37)
(d) Loss on of investment	831.86	0.00
(e) Exchange loss considered separatly	1,770.60	0.00
Operating profit before Working Capital Changes	-17,924.18	7406.89
Add/Deduct		
(a) (Increase) / in inventories	5,993.58	(416.88)
(b) (Increase) / in Trade and other receivables	9,700.16	(3345.23)
(c) (Increase) / in Loans and advances	5,879.58	(580.37)
(d) (Decrease) in Current & no current Liabilities	3,515.99	(576.83)
Cash Flow from operations	7,165.12	2,487.58
Deduct Taxes paid/Add:Refunds received	(41.58)	(29.28)
Net Cash flow in the course of operating activities	7123.54	2458.30
B. Cash Flow arising from Investment activities		
(a) Acquisition of fixed assets(Net)	(327.51)	(489.51)
(b) Disposal of Assets	0.00	67.70
Net Cash flow arising from Investment Activities	(327.51)	(421.81)
C. Cash Flow arising from Financing Activities		
(a) Proceeds from Secured Loans(Net)	-3,486.16	1604.06
(b) Finance charges	(3,486.81)	(3946.85)
Net Cash Flow in the course of Financing Activities	(6972.97)	(2342.79)
Net (Decrease) / Increase in cash and cash Equivalents(A+B+C)	-176.94	(306.29)
Add Balance at the beginning of the year	709.37	1015.66
Cash and Cash Equivalents at the close of the year	532.43	709.37

For D.K.Upendra & co
Chartered Accountants

D.K. Upendra
(Proprietor)
Memembership No. 23390
Firm Reg No. 0068025

Place : Bangalore
Date : 22nd October 2018



For SCOTTS GARMENTS LIMITED

N.SIVAKUMAAR
Resolution Professional



SCOTTS GARMENTS LIMITED

Notes to financial statements for the period ended 31st March, 2018

Note 1 Share capital

Particulars	As at 31st March, 2018		As at 31 March, 2017	
	Numbers	Rs.	Numbers	Rs.
Authorised				
Equity shares of Rs10/- each	44,000,000	440,000,000	44,000,000	440,000,000
Issued				
Equity shares Rs 10/- each	34,172,856	341,728,560	34,172,856	341,728,560
Subscribed and fully paid up				
Equity shares of Rs 10/- each	34,172,856	341,728,560	34,172,856	341,728,560
Total	34,172,856	341,728,560	34,172,856	341,728,560
Reconciliation of the shares outstanding at the beginning and at the end of the report	161308386			
	3,480,884			
Particular	As at 31st March, 2018		As at 31 March, 2017	
	Number		Number	
At the beginning of the year	34,172,856	341,728,560	34,172,856	341,728,560
Shares issued during the year	-	-	-	-
At the end of the year	34,172,856	341,728,560	34,172,856	341,728,560

The Company has only one class of equity shares having a par value of Rs.10 per share. Each Shareholders is eligible for one vote per share. The dividend proposed by the Board of Directors is subject to the Amount approval of shareholders, except in case of interim dividend.

Details of shares held by shareholders holding more than 5% of the aggregate shares in the company

Name of the share holder	Equity Shares			
	As at 31st March, 2018		As at 31 March, 2017	
	Number	% of Holding	Number	% of Holding
Naseer Ahmed	15,173,400	44.40%	15,173,400	44.40%
Pedigree Construction Private Limited	5,797,500	16.97%	5,797,500	16.97%
B.R. Machine Tools Private Limited	3,606,600	10.55%	3,606,600	10.55%
Bombay Rayon Fashions Limited	2,400,000	7.02%	2,400,000	7.02%
Emerging India Growth Fund-CVCFL	2,086,956	6.11%	2,086,956	6.11%



SCOTTS GARMENTS LIMITED

Notes to financial statements for the year ended 31st March, 2018

Note 2 Reserves and surplus

Particulars	As at 31st March, 2018	As at 31 March, 2017
	Rs.	Rs.
(a) Capital reserve		
Balance as per last account	4,000,000	4,000,000
Closing balance	4,000,000	4,000,000
(b) Securities premium account		
Balance as per last account	432,305,150	432,305,150
Additions during the year	-	-
Closing balance	432,305,150	432,305,150
(c) General Reserve		
Opening balance	2,344,547,252	2,243,983,049
Add: Surplus Transferred from Profit & Loss Account	(2,561,008,645)	100,564,203
Closing balance	(216,461,393)	2,344,547,252
(d) Surplus		
Opening balance	-	-
Add: Transferred from statement of Profit and Loss	(2,561,008,645)	100,564,203
Closing balance transfer to General Reserve	(2,561,008,645)	100,564,203
TOTAL	219,843,757	2,780,852,402

Note 3 Long-term borrowings

Particulars		As at 31st March, 2018	As at 31 March, 2017
Particulars	Terms of repayment and security		
Secured			
Term loans from banks:			
Canara Bank	Quarterly	-	103,997,051
Canara Bank	Quarterly	-	26,442,395
Canara Bank - FCLR	Quarterly	59,888,520	186,660,170
Secured by equitable mortgage of immovable properties of the Company, and charge over movable assets, both present and future of the Company and personal guarantee of three directors			
Vehicle loans from banks			
HDFC BANK LTD	Monthly	127,029.00	612,527
INDUSIND BANK LTD	Monthly	.00	166,201
ICICI BANK LTD	Monthly	205,824.20	2,857,988
TOYOTA FINANCIALS	Monthly	1,641,353	1,404,049
SERVICES			
(The vehicle loans are secured by hypothecation of specified vehicles against which the finance is obtained)		61,862,726	322,140,381
UNSECURED			
From Directors, their relatives		15,522,700	259,281,390
corporate bodies		-	122,390,500
		15,522,700	381,671,890
TOTAL		77,385,426	703,812,271

Note 4 Other Long term Liabilities

Particulars	As at 31st March, 2018	As at 31 March, 2017
Provision for Gratuity	22,548,125	51,140,169
Total	22,548,125	51,140,169



SCOTTS GARMENTS LIMITED

Notes to financial statements for the year ended 31st March , 2018

Note 5 Short-term borrowings

Particulars	As at 31st March, 2018	As at 31 March, 2017
Secured	Rs.	Rs.
From banks		
Working Capital loans	4,323,839,891	3,960,606,539
Working capital loans from banks are Secured by charge over assets of the Company as specified in banking arrangement, and personal guarantee of three directors.		
Total	4,323,839,891	3,960,606,539

Note 6 Trade payables

Particulars	As at 31st March, 2018	As at 31 March, 2017
Trade payables:	Rs.	Rs.
(a) Due to Micro & Small Enterprises		
(b) Due to other Creditors	743,115,820	300,544,859
Total	743,115,820	300,544,859

Note 7 Other current liabilities

Particulars	As at 31st March, 2018	As at 31 March, 2017
	Rs.	Rs.
(i) Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, VAT, GST etc.)	265,901,741	236,780,802
(ii) Over drawn bank balance in current accounts	42,751,038	136,967,935
(iii) Current maturities of long-term debt	354,525,254	426,397,884
Total	663,178,034	800,146,621

Note 8 Short-term provisions

Particulars	As at 31st March, 2018	As at 31 March, 2017
	Rs.	Rs.
(a) Provision for employee benefits		
(i) Provision for bonus	48,091,637	20,000,000
(ii) Provision for compensated absences	17,324,920	42,701,000
	65,416,557	62,701,000
(b) Provision - Others:		
Current Tax		
Current Tax	4,880,168	50,792,226
	4,880,168	50,792,226
Total	70,296,725	113,493,226



SCOTTS GARMENTS LIMITED

Fixed Assets

Notes to financial statements for the year ended 31st March, 2018

Note 9

	GROSS BLOCK					DEPRECIATION /AMORTISATION				NET BLOCK	
DESCRIPTION	As At 1.04.2017	ADDITIONS DURING THE YEAR	CAPITAL SUBSIDY RECEIVED/Deletion	DELETIONS FOR THE PERIOD	TOTAL As At 31.03.2018	As At 1.04.2017	FOR THE YEAR	ADJUSTMENTS	TOTAL As At 31.03.2018	As At 31.03.2018	As At 31.3.2017
TANGIBLE ASSETS											
LAND	12,02,77,717	-	-	-	12,02,77,717	-	-	-	-	12,02,77,717	12,02,77,717
LAND & BUILDINGS	9,52,04,018	-	-	-	9,52,04,018	4,07,22,954	2,08,153	-	4,09,31,107	5,42,72,911	5,44,81,064
LEASE HOLD LAND - WIND MILL	71,03,000	-	-	-	71,03,000	-	-	-	-	71,03,000	71,03,000
SHOW ROOM	34,96,214	-	-	-	34,96,214	19,55,224	65,309	-	20,20,533	14,75,681	15,40,990
OFFICE BUILDING	2,80,73,531	15,69,956	-	-	2,96,43,487	1,08,54,993	9,19,069	-	1,17,74,062	1,78,69,426	1,72,18,538
FACTORY BUILDINGS	1,51,19,73,503	2,33,19,350	-	-	1,53,52,92,853	55,44,70,830	8,92,65,513	-	64,37,36,342	89,15,56,511	95,75,02,673
PLANT & MACHINERY	1,65,31,52,923	33,95,308	-	-	1,65,65,48,231	1,18,36,91,517	9,25,86,542	-	1,27,62,78,059	38,02,70,172	46,94,61,406
ELECTRICAL INSTALLATION	9,39,32,096	1,51,639	-	-	9,40,83,735	7,60,86,736	44,49,496	-	8,05,36,232	1,35,47,503	1,78,45,360
FURNITURE & FIXTURES	11,29,66,571	-	-	-	11,29,66,571	9,98,13,574	39,22,218	-	10,37,35,792	92,30,779	1,31,52,997
FURNITURE & FIXTURES 100%	37,65,032	-	-	-	37,65,032	37,65,032	-	-	37,65,032	-	-
OFFICE EQUIPMENTS	2,56,91,161	-	-	-	2,56,91,161	2,35,39,935	3,82,976	-	2,39,22,911	17,68,251	21,51,227
DATA PROCESSING EQUIPMENTS	6,38,51,891	3,74,587	-	-	6,42,26,478	6,02,51,735	9,30,356	-	6,11,82,091	30,44,387	36,00,156
VEHICLES	5,83,20,544	39,39,693	-	29,00,000	5,93,60,237	4,67,34,107	40,63,123	17,05,872	4,90,91,358	1,02,68,878	1,15,86,437
CIVIL WORK ON LEASED BUILDING	1,45,50,707	-	-	-	1,45,50,707	61,05,889	7,89,825	-	68,95,714	76,54,993	84,44,818
MOBILE HANDSETS	9,03,692	-	-	-	9,03,692	8,90,711	5,851	-	8,96,562	7,130	12,981
EFFLUENT TREATMENT PLANT	2,11,84,190	-	-	-	2,11,84,190	1,55,43,582	10,18,196	-	1,65,61,778	46,22,412	56,40,608
TOTAL	3,81,44,46,790	3,27,50,533	-	29,00,000	3,84,42,97,323	2,12,44,26,819	19,86,06,626	17,05,872	2,32,13,27,573	1,52,29,69,750	1,69,00,19,971

SCOTTS GARMENTS LIMITED

Notes to financial statements for the year ended 31st March, 2018

Note 10 Non-current investments

Particulars	As at 31st March, 2018	As at 31 March, 2017
	Rs.	Rs.
Investments (At cost)		
A. QUOTED		
In equity shares fully paid up		
Bombay Rayon Fashions Ltd- 2,000 shares of Rs 10/- each (Market price Rs.43.10) (PY 6,92,000 shares of Rs.10/- each)	515,665	178,420,090
Aggregate amount of Quoted Investments	515,665	178,420,090
B. UNQUOTED		
Investment in Associate Company		
Inmark Retail Private Limited - 2,70,000 Shares of Rs 100/- each	-	67,500,000
Scotts Fashionciti India Limited -10,000 equity share of Rs 10/- each (PY10,000 equity share of Rs 10/- each)	100,000	100,000
Other Investments	-	
Bombay Rayon Clothing Limited-701700 Equity shares of Rs 10/- each.	199,984,500	199,984,500
Aggregate amount of Unquoted Investments	200,084,500	267,584,500
Total	200,600,165	446,004,590

Note-11 Long Term Loans & Advances

Particulars	As at 31st March, 2018	As at 31 March, 2017
	Rs.	Rs.
Unsecured, considered good Security deposits	43,911,850	60,309,457
Total	43,911,850	60,309,457

Note 12 Inventories

Particulars	As at 31st March, 2018	As at 31 March, 2017
	Rs.	Rs.
(a) Raw materials	1,566,211,636	1,445,323,964
(b) Work-in-progress	1,217,992,841	1,276,295,653
(c) Finished goods	761,975,435	1,423,918,119
(valued at lower of cost or net realisable value)		
Total	3,546,179,912	4,145,537,736



SCOTTS GARMENTS LIMITED

Notes to financial statements for the year ended 31st March, 2018

Note 13 Trade receivables

Particulars	As at 31st March, 2018	As at 31 March, 2017
	Rs.	Rs.
Trade receivables outstanding for a period less than six months from the date they were due for payment		
(Unsecured considered good)		
Over six months		
others	818,635,198	1,788,650,808
Total	818,635,198	1,788,650,808

Note 14 Cash and cash equivalents

Particulars	As at 31st March, 2018	As at 31 March, 2017
	Rs.	Rs.
Cash on hand	358,526	886,420
Balances with banks		
(i) In current accounts	16,995,799	10,841,767
(ii) In deposit accounts (held as margin money against LC/BG)	35,888,455	59,208,350
Total	53,242,781	70,936,537

Note 15 Short-term loans and advances

	As at 31st March, 2018	As at 31 March, 2017
	Rs.	Rs.
Unsecured, considered good		
Advances receivable in cash or for value to be received	119,542,611	429,334,189
Total	119,542,611	429,334,189

Note 16 Other current assets

Particulars	As at 31st March, 2018	As at 31 March, 2017
	Rs.	Rs.
Export Incentive receivable	99,775,050	340,636,835
VAT Receivable	55,465,555	76,462,971
Interest Subsidy receivable	5,016,940	4,926,859
Total	160,257,545	422,026,665



SCOTT'S GARMENTS LIMITED

Notes to financial statements for the year ended 31st March, 2018

Note 17 Revenue from operations

Particulars	As at 31st March, 2018	As at 31 March, 2017
	Rs.	Rs.
Sale of products	3,852,219,375	6,162,047,025
Duty drawback and other export incentives	83,550,924	429,175,671
Exchange fluctuation Gain/(Loss)	(177,060,131)	7,813,830
Total	3,758,710,169	6,599,036,526

Note 18 Other income

Particulars	As at 31st March, 2018	As at 31 March, 2017
	Rs.	Rs.
Interest income	10,187,801	14,073,249
Profit on Sale of Fixed Assets	73,905	183,721
Income from Wind Mill	17,629,440	56,594,132
Total	27,891,146	72,504,591



SCOTTS GARMENTS LIMITED

Notes to financial statements for the year ended 31st March, 2018

Note 19. Cost of material consumed

Particulars	As at 31st March, 2018	As at 31 March, 2017
	Rs.	Rs.
Inventory at the beginning of the year	1,445,323,964	1,793,318,390
Add: Purchases	3,501,552,958	3,954,954,366
	4,946,876,922	5,748,272,756
Less: Inventory at the end of the year	2,017,565,303	1,445,323,964
Cost of material consumed	2,929,311,619	4,302,948,792

Note 20 (Increase) /decrease in Inventories

Particulars	As at 31st March, 2018	As at 31 March, 2017
	Rs.	Rs.
Inventories at the end of the year:		
Finished goods	1,363,780,324	1,423,918,119
Work-in-progress	1,669,346,508	1,276,295,653
	3,033,126,832	2,700,213,772
Inventories at the beginning of the year:		
Finished goods	1,423,918,119	1,158,431,925
Work-in-progress	1,276,295,653	1,152,099,445
	2,700,213,772	2,310,531,370
Net (increase) / decrease	(332,913,060)	(389,682,402)

Note 21 Employee benefits expense

Particulars	As at 31st March, 2018	As at 31 March, 2017
	Rs.	Rs.
Salaries and wages	969,506,715	1,304,718,427
Contributions to provident and other funds	115,526,711	224,428,043
Staff welfare expenses	4,909,184	9,215,256
Total	1,089,942,610	1,538,361,725

Note 22 Finance costs

Particulars	As at 31st March, 2018	As at 31 March, 2017
	Rs.	Rs.
Interest expense	222,121,411	277,482,983
Forex loss	-	-
Bank charges	126,559,537	125,015,796
Total	348,680,948	429,334,189



SCOTTS GARMENTS LIMITED

Notes to financial statements for the year ended 31st March, 2018

Note 23 Other expenses

Particulars	As at 31 March, 2018	As at 31 March, 2017
	Rs.	Rs.
Power & Fuel expenses	96,892,003	132,603,287
Water charges	10,301,150	11,959,607
Rent including lease rentals	30,780,275	44,842,413
Repairs and maintenance		
-Machinery	24,001,184	37,409,323
-Building	2,696,983	1,775,988
Transportation charges	11,675,865	27,997,651
Freight and forwarding	32,302,371	88,791,120
Insurance	4,213,321	4,821,850
Rates and taxes	12,918,892	6,036,693
Travelling and conveyance	34,170,461	43,372,396
Printing and stationery	1,512,211	4,185,101
Postage & Courier charges	5,491,714	6,025,475
Business promotion Expenses	118,377	1,607,667
Documentation charges	4,290,450	1,959,822
Security charges	24,003,458	34,531,019
Professional charges	4,825,062	12,110,814
Payments to auditors	400,000	458,000
Telephone charges	4,564,856	3,996,559
Subscription, Books & periodicals	15,231	68,949
Expense Towards CSR	-	2,770,138
Bad debts Written off	170,183,668	-
Advance written off	88,792,931	
General expenses	1,002,225	2,249,089
Total	565,152,688	469,572,959

Particulars of Audit Fees	As at 31 March, 2018	As at 31 March, 2017
	Rs.	Rs.
Payments to auditors		
As auditors - statutory audit	400,000	458,000
For other services	-	-
Out of pocket expenses	-	76,798
Total	400,000	534,798

