

**CROCODILE PRODUCTS PRIVATE LIMITED**

Registered Office: 39A, Extension Street, Kaikattipudur, Avinashi-641654  
(CIN: U18101TZ1998PTC008439) Ph: 04296- 714000

**Notice to Shareholders**


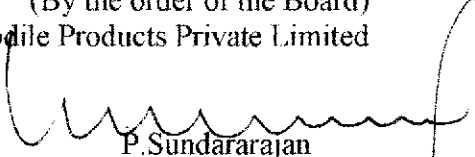
Notice is hereby given that the Twenty third Annual General Meeting of Crocodile Products Private Limited will be held on Friday, the 11<sup>th</sup> August, 2017 at 10.00 A.M at the Registered Office of the Company at 39A, Extension Street, Kaikattipudur, Avinashi-641654 to transact the following business:

**Ordinary Business:**

1. To receive, consider and adopt the audited Statement of Profit and Loss for the year ended 31<sup>st</sup> March, 2017 and the Balance Sheet as at that date together with the Report of the Board of Directors and the Auditors thereon.
2. To consider Mrs.S.Latha, Director, who retires by rotation and being eligible offers herself for re-appointment.
3. To consider and if thought fit to pass with or without modification(s) the following as an ordinary resolution for appointment of the statutory auditors of the Company and fix their remuneration:

“**RESOLVED** that pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 including any amendment thereto or re-enactment thereof, M/s. Rajan Sankar & Co. Chartered Accountants, Coimbatore, (Firm Registration No.003430S), the retiring Statutory Auditors of the Company, be and are hereby re-appointed as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting at a remuneration as may be mutually agreed to between the Board of Directors and the said Statutory Auditors in addition to reimbursement of actual out-of-pocket expenses to be incurred in connection with the work of audit to be carried out by them.”

Avinashi  
07.07.2017

(By the order of the Board)  
For Crocodile Products Private Limited  
  
  
P. Sundararajan  
Managing Director

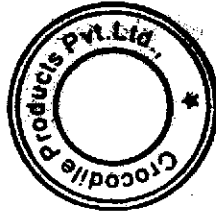
**Notes:**

A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company. The instrument appointing a proxy shall be deposited at the registered office of the Company not later than 48 hours before the scheduled time for holding the meeting.

**Details of Directors seeking re-election and eligible for re-appointment at the Annual General Meeting are:**

<b>Particulars</b>	<b>Mrs.S.Latha</b>
Date of Birth	April 17, 1964
Date of Appointment	24.05.2006
Qualifications	Higher Secondary
Expertise in specific functional area	- Retail business - Entrepreneurship and business strategy - Marketing vision - General Administration
Directorships held in other companies	S.P.Apparels Limited
Memberships / Chairmanships of committees of other public companies	1. Member of Corporate Social Responsibility (CSR) Committee - S.P.Apparels Limited 2. Member of Stakeholders Relationship Committee - S.P.Apparels Limited
Number of shares held in the Company.	NIL

(By the order of the Board)  
For Crocodile Products Private Limited



*[Handwritten Signature]*

P.Sundararajan  
Managing Director

Place : Avinashi  
Date : 07.07.2017

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# CROCODILE PRODUCTS PRIVATE LIMITED

## Directors' Report

Dear Members,

Your Directors take pleasure in presenting the twenty third audited financial statements of the Company for the year ended 31<sup>st</sup> March, 2017.

### 1. REVIEW OF FINANCIALS

Sl. No.	Particulars	01-04-2016 to 31-03-2017	01-04-2015 to 31-03-2016
1.	Sales of garments and accessories	---	182,901,953
2.	Other Income	18,059,905	8,205,539
3.	Expenses	15,093,297	213,221,365
4.	Depreciation	1,310,457	1,864,666
5.	Interest	14,781	248,421
6.	Taxes	---	15,764,058
7.	Net Profit/ (Loss) after Tax	1,641,371	-8,462,903

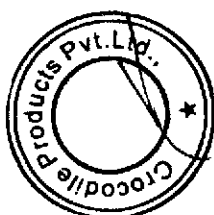
### 2. OPERATIONS REVIEW

The Company made a turnover of Rs.16.31 million for the financial year 2016-17 as against Rs.190.10 million for the year 2015-16. The profit is Rs.1.64 million as against the loss of Rs.8.47 million in the year 2015-16.

### 3. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) of the Companies Act, 2013, the Directors hereby confirm the following:

1. In the preparation of the annual accounts, for the financial year ended 31<sup>st</sup> March, 2017, the applicable accounting standards had been followed and there are no material departures;
2. The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year ended on that date;



## **CROCODILE PRODUCTS PRIVATE LIMITED**

3. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. The Directors had prepared the annual accounts on a going concern basis; and
5. The Directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **4. EXPLANATION TO THE REMARKS CONTAINED IN THE AUDITOR'S REPORT**

As required under Section 134(3)(f) of the Companies Act, 2013 in respect of the remarks contained in the Auditor's Report, the following explanation is furnished.

Regarding the presentation of financial statement on the principles applicable to a going concern despite the Company having accumulated losses of Rs.124,797,165/-, which has fully eroded the net worth of the Company, as per clause 2 of Note 21 to the financial statements (which is self explanatory), due to the fact that the Company is being financially supported continuously by its holding company.

### **5. DIRECTORS**

Mrs.S.Latha, Director, retires by rotation and being eligible offers herself for re-appointment.

### **6. AUDITORS**

The retiring statutory auditors, M/s. Rajan Sankar & Co., Chartered Accountants, Coimbatore, (Firm Registration no. 003430S) who being eligible for re-appointment have given a certificate under section 139 of the Companies Act, 2013 for their appointment at the ensuing Annual General Meeting to act as the statutory auditors of the Company from the conclusion of the ensuing Annual General Meeting till the conclusion of the next Annual General Meeting.

### **7. DEPOSITS**

The Company has not accepted any public deposits and as such, no amounts on account of principal or interest on public deposits were outstanding on the date of the Balance Sheet.



## CROCODILE PRODUCTS PRIVATE LIMITED

### 8. PARTICULARS OF EMPLOYEES

There are no employees within the meaning of section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

### 9. ACKNOWLEDGEMENT

The Board thank the Company's joint venture associate, M/s.Crocodile International Pte. Ltd.,Singapore and M/s. S.P. Apparels Ltd, the holding company for their excellent guidance to the Company. The Board also wish to thank its customers, distributors, wholesalers, dealers, showrooms, factory outlets, vendors, suppliers and the employees of these entities for their co-operation.

The Board also record its appreciation for the dedicated service being extended by the employees of the Company.

Avinashi  
07.07.2017



(By order of the Board)  
For Crocodile Products Private Limited

P. Sundararajan  
Managing Director

**FORM NO. AOC -2****(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.**

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis.

Crocodile Products Private Limited has not entered into any contract or arrangement or transactions with related parties which is not at arm's length basis.

2. Details of contracts or arrangements or transactions at arm's length basis.

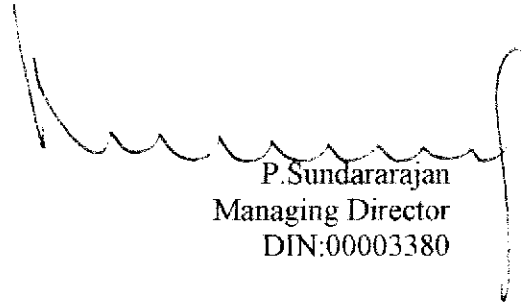
No	Name of related party	Nature of relationship	Nature of contract/ arrangement/ transaction	Duration of the contracts	Salient terms	Date of approval by the Board	Amount paid as advance, if any
1	Crocodile International Pte Ltd	Associate Company	(i) Royalty Payment	On-going	As per agreed terms	23.05.2017	-
			(ii) Sundry credit	On-going	As per agreed terms	23.05.2017	-
2	S.P.Apparels Limited	Holding Company	(i) Royalty Income	On-going	As per agreed terms	23.05.2017	-
			(ii) Purchase of goods and services	On-going	As per agreed terms	23.05.2017	-
			(iii) Rent	On-going	As per agreed terms	23.05.2017	-
			(iv) Sundry credit/debit	On-going	As per agreed terms	23.05.2017	-
3	Mr. P.Sundararajan	Managing Director	Unsecured loan	2016-17	As per agreed terms	23.05.2017	-
4	S.P.Lifestyle	Partnership firm of Managing Director	Unsecured loan	2016-17	As per agreed terms	23.05.2017	-
5	Mr. V.Senthil	Relative of Managing Director	Unsecured loan	2016-17	As per agreed terms	23.05.2017	-



Place : Avinashi  
Date : 07.07.2017



For and on behalf of the Board



P. Sundararajan  
Managing Director  
DIN:00003380

**FORM NO. MGT 9**  
**EXTRACT OF ANNUAL RETURN**  
**As on financial year ended on 31.03.2017**

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

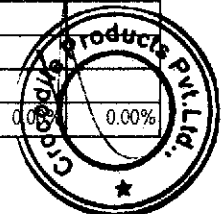
I. REGISTRATION & OTHER DETAILS:		
1	CIN	U18101TZ1998PTC008439
2	Registration Date	21/04/1994
3	Name of the Company	CROCODILE PRODUCTS PRIVATE LIMITED
4	Category/Sub-category of the Company	Company limited by shares Indian Non-Government Company
5	Address of the Registered office & contact details	39A, EXTENSION STREET, KAIKATTIPUDUR, AVINASHI - 641 654 Phone: +91-4296-714000 E-mail : spindia@s-p-apparels.com
6	Whether listed company	No
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Not applicable

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY			
(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)			
S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
	NIL		

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES					
SN	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	S.P.APPARELS LIMITED	L18101TZ2005PLC012295	Holding Company	70	2(87)(ii)

IV. SHARE HOLDING PATTERN									
(Equity share capital breakup as percentage of total equity)									
(i) Category-wise Share Holding									

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2016]				No. of Shares held at the end of the year [As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/ HUF	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Bodies Corp.	-	266,000	266,000	70.00%	-	266,000	266,000	70.00%	0.00%
e) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub Total (A) (1)</b>	-	266,000	266,000	70.00%	-	266,000	266,000	70.00%	0.00%
(2) Foreign									
a) NRI Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Other Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Bodies Corp.	-	114,000	114,000	30.00%	-	114,000	114,000	30.00%	0.00%
d) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub Total (A) (2)</b>	-	114,000	114,000	30.00%	-	114,000	114,000	30.00%	0.00%
<b>TOTAL (A)</b>	-	380,000	380,000	100.00%	-	380,000	380,000	100.00%	0.00%
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%





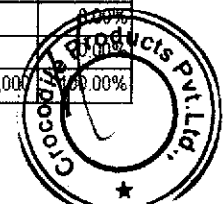
b) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Insurance Companies	-	-	-	0.00%	-	-	-	0.00%	0.00%
g) FIs	-	-	-	0.00%	-	-	-	0.00%	0.00%
h) Foreign Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
i) Others (specify)	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub-total (B)(1):-</b>	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	-	-	-	0.00%	0	0	-	0.00%	0.00%
ii) Overseas	-	-	-	0.00%	0	0	-	0.00%	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	0.00%	-	-	-	0.00%	0.00%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Others (specify)									
Non Resident Indians	-	-	-	0.00%	-	-	-	0.00%	0.00%
Overseas Corporate Bodies	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Nationals	-	-	-	0.00%	-	-	-	0.00%	0.00%
Clearing Members	-	-	-	0.00%	-	-	-	0.00%	0.00%
Trusts	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Bodies - DR	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub-total (B)(2):-</b>	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Total Public (B)</b>	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Grand Total (A+B+C)</b>	-	380,000	380,000	100.00%	-	380,000	380,000	100.00%	0.00%

**(ii) Shareholding of Promoter**

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	S.P.APPARELS LIMITED	266,000	70.00%	0	266,000	70.00%	0	0.00%
2	CROCODILE INTERNATIONAL PTE LTD	114,000	30.00%	0	114,000	30.00%	0	0.00%

**(iii) Change in Promoters' Shareholding (please specify, if there is no change)**

SN	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
	At the beginning of the year	01/04/2016		380,000	100.00%	380,000	100.00%
	Changes during the year	-		-	0.00%	-	0.00%
		-		-	0.00%	-	0.00%
		-		-	0.00%	-	0.00%
	At the end of the year	31/03/2017		380,000	100.00%	380,000	100.00%



**(iv) Shareholding Pattern of top ten Shareholders***(Other than Directors, Promoters and Holders of GDRs and ADRs):*

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
	At the beginning of the year	01/04/2016			0.00%		0.00%
	Changes during the year	-			0.00%		0.00%
	At the end of the year	31/03/2017			0.00%		0.00%
					0		0

**(v) Shareholding of Directors and Key Managerial Personnel:**

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Name						
	At the beginning of the year	Not Applicable			0.00%		0.00%
	Changes during the year				0.00%		0.00%
	At the end of the year				0.00%		0.00%

**V. INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

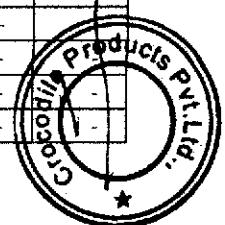
(Amt. Rs./Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	-	30,042,530.00	-	30,042,530.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	<b>30,042,530.00</b>	-	<b>30,042,530.00</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	-	-	-	-
* Reduction	-	-	-	-
<b>Net Change</b>	-	-	-	-
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	-	30,042,530.00	-	30,042,530.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	<b>30,042,530.00</b>	-	<b>30,042,530.00</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

A. Remuneration to Managing Director, Whole-time Directors and/or Manager.

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount (Rs/Lac)
		Name	Nil	
	Designation	Nil	Nil	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
	Commission	-	-	-
4	- as % of profit	-	-	-
	- others, specify	-	-	-
5	Others, please specify	-	-	-
	<b>Total (A)</b>	-	-	-



	Ceiling as per the Act	Not Applicable	Not Applicable	
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**B. Remuneration to other Directors**

SN.	Particulars of Remuneration	Name of Directors			Total Amount
					(Rs/Lac)
1	Independent Directors	Nil	Nil	Nil	
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)	-	-	-	-
2	Other Non-Executive Directors	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	-	-	-	-
	Total Managerial Remuneration	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD**

SN.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount	
		Name	Nil	Nil	Nil	(Rs/Lac)
		Designation	CEO	CFO	CS	
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		-	-	-	
	(b) Value of perquisites u/s 17(2) Income-tax		-	-	-	
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961		-	-	-	
2	Stock Option		-	-	-	
3	Sweat Equity		-	-	-	
4	Commission		-	-	-	
	- as % of profit		-	-	-	
	- others, specify		-	-	-	
5	Others, please specify		-	-	-	
	Total		-	-	-	

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>B. DIRECTORS</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-



**Rajan Sankar & Co.,**  
**Chartered Accountants**

**Partners**

**N.RAVISANKAR B.Sc., FCA**

**N.N.RAMRAJ B.Com., FCA**

**No.1, Sarojini Street,**  
**Ramnagar,**

**Coimbatore - 641 009**

**■ 2230678/4379560**

**INDEPENDENT AUDITOR'S REPORT**

**TO THE MEMBERS OF CROCODILE PRODUCTS PRIVATE LIMITED**

**Report on the Financial Statements**

We have audited the accompanying financial statements of **M/s. CROCODILE PRODUCTS PRIVATE LIMITED**, which comprise the Balance Sheet as at March 31, 2017, and the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to 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 principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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.

## Reports on other Legal and Regulatory Requirement

1. As required by the Companies (Auditors' Report) Order, 2016 ("the order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in the paragraph 3 and 4 of the order, to the extent applicable.

2. **Attention is invited to:**

***Clause 2 of Note 21 to the accounts, regarding the presentation of financial statements on the principles applicable to a going concern despite the company having accumulated losses of Rs.124,797,165/- which has fully eroded the net worth of the company.***

3. As required by section 143(3) of the Act, we report that:

- a) We have sought and 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 it 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 aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164(2) of the Act.

## **ANNEXURE A TO INDEPENDENT AUDITOR'S REPORT**

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31<sup>st</sup> March 2017, we report that:

- (i) (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, which in our opinion, is reasonable having regard to the size of the company and nature of its business and no material discrepancies were noticed on such verification.  
(c) The company does not hold any immovable property during the year. Accordingly, the provisions of clause 3(i)(c) of the order are not applicable to the company and hence not commented up on.
- (ii) According to the information and explanation given to us the company does not hold any inventory and accordingly, Para 3(ii) of the Order is not applicable.
- (iii) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act 2013. Accordingly, the provisions of clause 3(iii) (a) to (c) of the order are not applicable to the company and hence not commented up on.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not made any advances, investments, guarantees, security within the provisions of section 185 and 186 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iv) of the Order are not applicable to the Company and hence not commented upon.
- (v) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

- (xi) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has neither been paid nor been provided during the year. Accordingly, the provisions of clause 3(xi) of the Order are not applicable to the Company and hence not commented upon.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.
- (xiii) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- (xv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- (xvi) In our opinion, the company is not required to be registered under section 45IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

PLACE: COIMBATORE

DATE: 24.05.2017

For RAJAN SANKAR & CO.,

Chartered Accountants



N. RAVISANKAR

PARTNER

MNO: 023548

FRNo:003430S

## **ANNEXURE B TO INDEPENDENT AUDITOR'S REPORT**

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 for the year ended 31<sup>st</sup> March 2017, we report that:

We have audited the internal financial controls over financial reporting of CROCODILE PRODUCTS PRIVATE LIMITED as on March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.



### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were Operating effectively as at March 31, 2017, based on "the internal control over financial reporting" criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial reporting issued by the Institute of Chartered Accountants of India.


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PLACE: COIMBATORE

DATE : 24.05.2017

**For RAJAN SANKAR & CO.,**

Chartered Accountants



N. RAVISANKAR

PARTNER

MNO: 023548

FRNo: 003430S

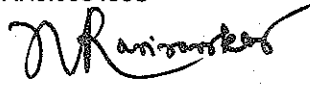
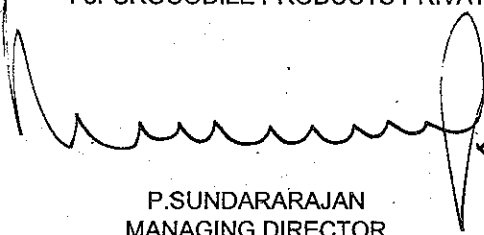
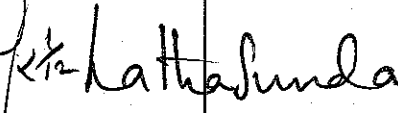
**CROCODILE PRODUCTS PRIVATE LIMITED**  
**39A EXTENSION STREET, KAIKATTIPUDUR, AVINASHI, COIMBATORE - 641654**

**BALANCE SHEET AS AT 31ST MARCH , 2017**

(Amount in Rs.)

Particulars	Note No	As at 31st March, 2017	As at 31st March, 2016
<b><u>EQUITY AND LIABILITIES</u></b>			
<b><u>SHAREHOLDER'S FUNDS</u></b>			
(a) Share Capital	1	3,80,00,000	3,80,00,000
(b) Reserves and Surplus	2	(12,47,97,165)	(12,64,38,536)
<b><u>NON-CURRENT LIABILITIES</u></b>			
(a) Long-term borrowings	3	3,00,42,530	3,00,42,530
<b><u>CURRENT LIABILITIES</u></b>			
(a) Trade payables	4	3,79,24,390	4,00,54,996
(b) Other current liabilities	5	4,65,09,043	4,51,79,824
<b>Total</b>		<b>2,76,78,799</b>	<b>2,68,38,814</b>
<b><u>ASSETS</u></b>			
(a) <i>Fixed assets</i>	6		
(i) Tangible assets		32,46,526	45,56,983
(ii) Intangible assets		-	-
(b) Deferred tax asset (net)		3,93,724	3,93,724
(c) Long term loans & advances	7	61,58,680	53,47,017
(d) Other non - current Assets	8	1,56,773	1,56,773
<b><u>CURRENT ASSETS</u></b>			
(a) Cash and cash equivalents	9	22,64,773	9,22,466
(b) Short-term loans and advances	10	1,54,58,324	1,54,61,852
<b>Total</b>		<b>2,76,78,799</b>	<b>2,68,38,814</b>

The Accompanying notes are integral part of the financial statements

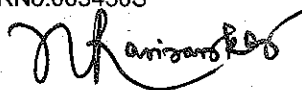
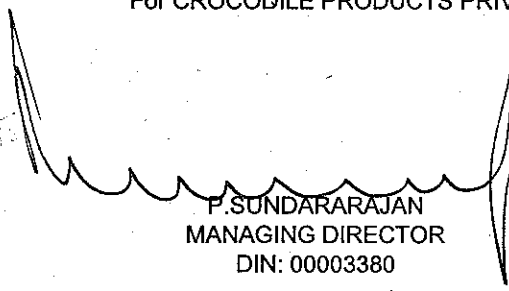
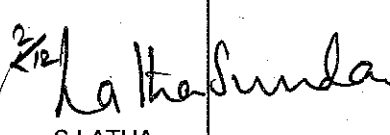
<p>In terms of our report attached                  For RAJAN SANKAR &amp; CO                  Chartered Accountants                  FRNo:003430S</p> <p style="text-align: center;"></p> <p>N.RAVI SANKAR                  PARTNER                  M.No.023548</p> <p>Place : Coimbatore                  Date : May 24, 2017</p>	<p style="text-align: center;">For CROCODILE PRODUCTS PRIVATE LIMITED</p> <p style="text-align: center;"></p> <p style="text-align: center;">P.SUNDARARAJAN                  MANAGING DIRECTOR                  DIN: 00003380</p>	<p style="text-align: center;"></p> <p style="text-align: center;">S.LATHA                  DIRECTOR                  DIN: 00003388</p>
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**CROCODILE PRODUCTS PRIVATE LIMITED**  
**39A EXTENSION STREET, KAIKATTIPUDUR, AVINASHI, COIMBATORE - 641654**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017**

(Amount in Rs.)

Particulars	Note No	31st March, 2017	31st March, 2016
I. Revenue from operations	11	1,63,08,824	19,00,98,587
II. Other Income	12	17,51,081	10,08,905
<b>III. Total Revenue (I +II)</b>		<b>1,80,59,905</b>	<b>19,11,07,492</b>
<b>IV. Expenses:</b>			
a) Purchase of traded goods	13	-	16,47,78,664
b) Changes in inventories	14	-	22,47,502
c) Employee remuneration & benefit	15	-	34,07,345
d) Financial costs	16	14,781	2,48,421
e) Other expenses	17	1,50,93,297	4,27,87,854
f) Depreciation and amortization expense	6	13,10,457	18,64,666
<b>IV. Total Expenses</b>		<b>1,64,18,534</b>	<b>21,53,34,452</b>
<b>V. Profit / (loss) before exceptional and extraordinary items and tax</b>	<b>(III - IV)</b>	<b>16,41,371</b>	<b>(2,42,26,961)</b>
VI. Exceptional Items		-	-
VII. Profit / (loss) before extraordinary items and tax (V - VI)		16,41,371	(2,42,26,961)
VIII. Extraordinary Items		-	-
<b>IX. Profit / (loss) before tax (VII - VIII)</b>		<b>16,41,371</b>	<b>(2,42,26,961)</b>
X. Tax expense:			
(1) Current tax		-	-
(2) Mat Credit Entitlement		-	1,54,58,324
(3) Deferred Tax Assets		-	3,05,734
<b>XI. Profit / (loss) for the period (IX +X)</b>		<b>16,41,371</b>	<b>(84,62,903)</b>
<b>Equity shares of par value `10/- each</b>			
<b>XII. Earning per equity share:</b>			
(1) Basic		4	(22)
(2) Diluted		-	-
Number of shares used in computing earnings per share		3,80,000	3,80,000

The Accompanying notes are integral part of the financial statements

<p>In terms of our report attached            For RAJAN SANKAR &amp; CO            Chartered Accountants            FRNo:003430S</p> <p></p> <p>N.RAVI SANKAR            PARTNER            M.No.023548</p> <p>Place : Coimbatore            Date : May 24, 2017</p>	<p>For CROCODILE PRODUCTS PRIVATE LIMITED</p> <p></p> <p>P.SUNDARARAJAN            MANAGING DIRECTOR            DIN: 00003380</p>	<p></p> <p>S.LATHA            DIRECTOR            DIN: 00003388</p>
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CROCODILE PRODUCTS PRIVATE LIMITED  
39A EXTENSION STREET, KAIKATTIPUDUR, AVINASHI, COIMBATORE - 641654

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2017

(Amount in Rs.)

Particulars		31/03/2017	31/03/2016
<b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>			
Profit / (Loss) before Tax		16,41,371	(2,42,20,901)
Adjustment for:			
Depreciation		13,10,457	18,64,666
Income tax		-	1,54,58,324
<b>Operating loss before Working Capital adjustments</b>		29,51,828	(69,03,971)
Adjustment for			
(Increase)/Decrease in Sundry Debtors		-	(38,88,019)
(Increase)/Decrease in Loans and advances		(8,08,135)	(1,07,10,905)
(Increase)/Decrease in Inventories		-	22,47,502
Increase/(Decrease) in Current liabilities		(8,01,387)	1,97,79,891
<b>Cash Generated from operations</b>		13,42,306	5,24,498
Taxes Paid		-	-
<b>Net Cash from/(used) operating activities before Extraordinary Items</b>		13,42,306	5,24,498
Extraordinary Items		-	-
<b>Net Cash from / (used) in operating activities</b>	(A)	13,42,306	5,24,498
<b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of Fixed Assets		-	(1,36,710)
<b>Net Cash from / (used) in Investing Activities</b>	(B)	-	(1,36,710)
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from Long term borrowings		-	-
Repayment of Long term borrowings		-	-
<b>Net Cash from/ (used) in Financing Activities</b>	(C)	-	-
<b>Net increase/(Decrease) in Cash and Cash equivalents</b>	(A)+(B)+(C)	13,42,307	3,87,790
Opening balance of Cash and Cash equivalents		9,22,466	5,34,676
Closing balance of Cash and Cash equivalents		22,64,773	9,22,466
<b>Net increase/(Decrease) in Cash and Cash equivalents</b>		13,42,307	3,87,790

In terms of our report attached  
For RAJAN SANKAR & CO  
Chartered Accountants  
FRNo:003430S



N.RAVI SANKAR  
PARTNER  
M.No.023548

For CROCODILE PRODUCTS PVT LTD.



P.SUNDARARAJAN  
MANAGING DIRECTOR  
DIN: 00003380



S.LATHA  
DIRECTOR  
DIN: 00003388

Place: Coimbatore  
Date: May 24, 2017

**CROCODILE PRODUCTS PRIVATE LIMITED**  
**39A EXTENSION STREET, KAIKATTIPUDUR, AVINASHI, COIMBATORE - 641654**

(Amount in Rs.)

**NOTES TO BALANCE SHEET**

**NOTE :1**

**SHARE CAPITAL**

**AUTHORISED:**

5,00,000 Equity Share of Rs.100/- each

As at 31st March, 2017	As at 31st March, 2016
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5,00,00,000	5,00,00,000
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5,00,00,000	5,00,00,000
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**ISSUED, SUBSCRIBED & PAID UP CAPITAL :**

380,000 Equity share of Rs.100/- each

(Of the above, 2,66,000 Equity shares are held by SP Apparels Ltd, Holding company )

3,80,00,000	3,80,00,000
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3,80,00,000	3,80,00,000
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**B) The reconciliation of the number of shares outstanding and the amount of share capital as at March 31, 2016 and March 31, 2017 is set out below:**

Particulars	As at 31st March, 2017		As at 31st March 2016	
	No of Shares	Amount	No of Shares	Amount
Number of shares at the beginning	3,80,000	3,80,00,000	3,80,000	3,80,00,000
Add: Shares issued	-	-	-	-
Number of shares at the end	3,80,000	3,80,00,000	3,80,000	3,80,00,000

**C) SHAREHOLDERS HOLDING MORE THAN 5% OF SHARES**

Name of the Shareholders	As at 31st March, 2017		As at 31st March 2016	
	No of Shares	Amount	No of Shares	Amount
S.P.Apparels Ltd	2,66,000	2,66,00,000	2,66,000	2,66,00,000
Crocodile International Pte Ltd	1,14,000	1,14,00,000	1,14,000	1,14,00,000
	3,80,000	3,80,00,000	3,80,000	3,80,00,000

**NOTE :2**

**RESERVE & SURPLUS**

**DEFICIT IN STATEMENT OF PROFIT AND LOSS**

Opening Balance	12,64,38,536	11,79,75,633
Net Loss / (profit) for the year	(16,41,371)	84,62,903

Closing Balance	12,47,97,165	12,64,38,536
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**NOTE :3**

**LONG-TERM BORROWINGS**

**UNSECURED LOAN**

Loan from Directors	3,00,42,530	3,00,42,530
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	3,00,42,530	3,00,42,530
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CROCODILE PRODUCTS PRIVATE LIMITED  
39A EXTENSION STREET, KAIKATTIPUDUR, AVINASHI, COIMBATORE - 641654

NOTE: 6  
FIXED ASSETS AND DEPRECIATION SCHEDULE

DESCRIPTION	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	AS AT 1.4.2016	ADDITIONS	Deletion/ Adjustment	AS AT 31.03.2017	UPTO 1.4.2016	FOR THE YEAR	Withdrawn	UPTO 31.03.2017	AS ON 31.03.2017	AS ON 1.4.2016
<b>Tangible assets</b>										
Plant & Machinery	5,66,529	-	-	5,66,529	4,91,371	13,345	-	5,04,716	61,812	75,158
Furniture & Fittings	97,82,752	-	-	97,82,752	72,43,981	7,66,069	-	80,10,050	17,72,702	25,38,771
Office Equipments	14,30,207	-	-	14,30,207	13,80,558	23,409	-	14,03,967	26,240	49,649
Vehicle	2,50,372	-	-	2,50,372	2,33,209	2,511	-	2,35,720	14,652	17,163
Electrical Fittings	54,58,589	-	-	54,58,589	35,87,605	5,01,803	-	40,89,408	13,69,181	18,70,984
Computers	58,92,485	-	-	58,92,485	58,87,227	3,319	-	58,90,546	1,939	5,258
<b>Total tangible assets</b>	<b>2,33,80,934</b>	<b>-</b>	<b>-</b>	<b>2,33,80,934</b>	<b>1,88,23,951</b>	<b>13,10,457</b>	<b>-</b>	<b>2,01,34,407</b>	<b>32,46,526</b>	<b>45,56,983</b>
<b>Intangible assets</b>										
Patents & Trade Mark	1,00,000	-	-	1,00,000	1,00,000	-	-	1,00,000	-	-
<b>TOTAL</b>	<b>2,34,80,934</b>	<b>-</b>	<b>-</b>	<b>2,34,80,934</b>	<b>1,89,23,951</b>	<b>13,10,457</b>	<b>-</b>	<b>2,02,34,407</b>	<b>32,46,526</b>	<b>45,56,983</b>

For RAJAN SANKAR & CO  
Chartered Accountants  
FRNo:0034305

*(Signature)*

N.RAVISANKAR  
PARTNER  
MN.No.023548

PLACE : COIMBATORE  
DATE : May 24, 2017

For CROCODILE PRODUCTS PRIVATE LIMITED

P. Sundararajan  
Managing Director  
DIN: 00003380

*(Signature)* S. Latha  
Director  
DIN: 00003388

## NOTES TO PROFIT &amp; LOSS STATEMENT

(Amount in Rs.)

31st March, 2017 31st March, 2016

**NOTE :4****TRADE PAYABLE**Sundry Creditors(including acceptances)

For Material/Supplies:

3,79,24,390 4,00,54,996

3,79,24,390 4,00,54,996

**NOTE : 5****CURRENT LIABILITES****OTHER CURRENT LIABILITES**

Liability for Taxes

13,45,254 11,10,503

Liability for Expenses

3,89,125 7,42,431

Liability for Others

4,47,74,664 4,33,26,890

4,65,09,043 4,51,79,824

**NOTE : 7****LONG TERM LOANS & ADVANCES**

a) Advance income tax &amp; TDS

11,11,663 -

b) Balance with government authorities

1,08,537 1,08,537

c) Others

(i) Rent advance

- 3,00,000

(ii) Trade advances

49,38,480 49,38,480

61,58,680 53,47,017

**NOTE : 8****OTHER NON - CURRENT ASSETS**

Gratuity fund

1,51,773 1,51,773

Employees gratuity trust

5,000 5,000

1,56,773 1,56,773

**NOTE :9****CASH & BANK BALANCES**

Cash in Hand

231 731

Balance with Scheduled Banks

i) Current Account

20,13,133 6,70,326

ii) Fixed Deposit Account

2,51,409 2,51,409

22,64,773 9,22,466

**NOTE :10****SHORT-TERM LOANS & ADVANCES**

a) Loans and Advances to employees

- 3,528

b) Advance for purchases

- -

c) Income Tax ( Mat Credits)

1,54,58,324 1,54,58,324

1,54,58,324 1,54,61,852

## NOTES TO PROFIT &amp; LOSS STATEMENT

(Amount in Rs.)

31st March, 2017 31st March, 2016

**NOTE :11****REVENUE FROM OPERATIONS**

Sale of garments	-	18,29,01,953
Royalty Income	1,63,08,824	71,96,634
	<u>1,63,08,824</u>	<u>19,00,98,587</u>

**NOTE :12****OTHER INCOMES**

Discount & Others	-	8,84,275
Lab testing Charges	-	1,24,630
Liabilities no longer required written off	7,96,916	
Excess provision written off	9,54,165	-
	<u>17,51,081</u>	<u>10,08,905</u>

**NOTE :13****PURCHASE OF TRADED GOODS**

Purchases	-	16,47,78,664
	<u>-</u>	<u>16,47,78,664</u>

**NOTE :14****CHANGES IN INVENTORIES****FINISHED GOODS**

Inventories at the end of the year	-	-
Inventories at the beginning of the year	-	22,47,502
Net (increase ) / decrease	<u>-</u>	<u>22,47,502</u>

**NOTE :15****EMPLOYEES REMUNERATION & BENEFITS**

Salary, Wages, Allowances & other Benefits	-	32,70,555
ESI Contribution	-	33,825
P. F. Contribution	-	1,00,628
Employees Welfare Expenses	-	2,337
	<u>-</u>	<u>34,07,345</u>

**NOTE :16****FINANCIAL COST**

Bank Charges & Commission	14,781	2,48,421
	<u>14,781</u>	<u>2,48,421</u>



	31st March, 2017	31st March, 2016
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**NOTE : 17****OTHER EXPENSES****A) OPERATING, ADMINISTRATIVE & OTHER EXPENSES**

Audit Fee		
Audit fees	1,00,000	-
Tax matters	5,000	-
Service tax	15,750	-
Advertisement Charges	-	1,54,76,618
Bad Debts	3,95,011	-
Business Promotion Expenses	-	40,80,514
Packing Materials	-	7,22,791
Income Tax	-	15,53,125
Legal & Professional Fees	2,06,650	3,11,805
Local Conveyance	-	5,620
Postage & Telephone	-	94,275
Power & Fuel	-	1,51,269
Printing & Stationary	-	53,137
Rates & taxes	6,84,490	18,38,102
Repairs & Maintenance	-	1,02,240
Rent Paid	-	16,04,624
Royalty Paid	1,36,46,404	1,64,03,432
Sundry Expenses	39,992	4,923
Travelling Expenses	-	2,38,654
Freight Charges Paid	-	1,46,725
	<b>1,50,93,297</b>	<b>4,27,87,854</b>

## CROCODILE PRODUCTS PRIVATE LIMITED

### **NOTE 20: SIGNIFICANT ACCOUNTING POLICIES**

#### **1. BASIS OF ACCOUNTING**

The financial statements are prepared under the historical cost conception on Accrual Method of Accounting and on Going Concern Basis. The said financial statements comply with the Companies Act, 2013 (The Act) and the mandatory Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

#### **2. USE OF ESTIMATES**

The preparation of financial statements are in conformity with generally accepted accounting principles and requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Difference between actual results and estimates are recognized in the period in which the results are known/ materialized.

#### **3. FIXED ASSETS**

Fixed Assets are stated at historical cost less accumulated depreciation. Costs include all expenses attributable in bringing the assets to its working condition.

#### **4. DEPRECIATION**

Depreciation is provided on straight line method based on the useful life as per Schedule II of Companies Act, 2013.

## **5. REVENUE RECOGNITION**

- (a) The company generally follows the mercantile system of accounting and recognizes income and expenditure on an accrual basis except those with significant uncertainties.
- (b) Sale of goods is recognized only when the risks and rewards of ownership are passed on to the customers, which is generally on dispatch of goods. Sale comprises of sale of goods, net of discounts and taxes.
- (c) Royalty income is recognized when pervasive evidence of an agreement exists, when royalty accrues or when the royalty income is determinable and collectability is reasonably assured.

## **6. IMPAIRMENT OF ASSETS**

The carrying amounts of assets are reviewed at each Balance Sheet date if there is an indication of impairment based on the internal and external factors. An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable amount. An impairment loss, if any, is charged to the Profit & Loss Account in the year in which the asset is identified as impaired. Reversal of impairment loss recognized in prior years is recorded when there is an indication that impairment losses recognized for the asset no longer exists or has decreased.

## **7. INVENTORY VALUATION**

The company values inventory- finished goods at lower of cost and net realizable value.

## **8. ACCOUNTING FOR TAXES ON INCOME**

### **(a) Current Tax:**

Provision for tax is determined in accordance with the current tax laws.

**(b) Deferred Tax:**

During the year the Company has accounted for deferred tax in accordance with AS 22 "Accounting for Taxes on income" as issued by the Institute of Chartered Accountants of India on timing difference of depreciation.

**9. EARNINGS PER SHARE**

For arriving at the EPS, the company's net profit after tax, computed in terms of the Indian GAAP, is divided by the number of equity shares outstanding on the last day of the reporting period. The EPS thus arrived at is known as 'Basic EPS'.

**10. EMPLOYEE BENEFITS**

**a) Short term:**

Short term employee benefits are charged of at the undiscounted amount in the year in which the related service is rendered.

**b) Long term:**

Post retirement benefits comprise of provident fund and gratuity which are accounted for as follows:

**i) Provident Fund**

This is a defined contribution plan, and contributions made to the Fund are charged to profit and loss account. The company has no further obligations for future provident fund benefits other than monthly contributions.

**ii) Gratuity-Funded**

This is a defined benefit plan. The company makes annual contribution to a gratuity fund administered by LIC. The liability is determined based on the actuarial valuation using projected unit credit method. Actuarial gains and losses are recognized in full in the profit and loss account for the period in which they occur. The retirement Benefit obligation recognized in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost.

**iii) Leave Encashment:**

There is no scheme for encashment of unavailed leave on retirement. Leave encashment of employees are paid annually and provision is made on accrual basis.

**11. FOREIGN CURRENCY TRANSACTION**

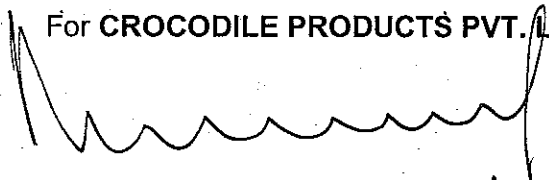
Transactions in foreign currency are recorded at the exchange rate prevailing on the date of initial transaction. Exchange difference arising on final settlement are adjusted to the cost of fixed assets if it relates to Fixed Assets and recognized as income or expense in the profit and loss account in other cases.

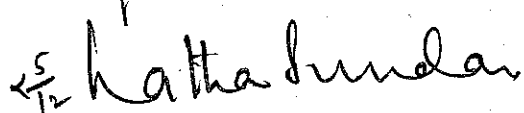
**12. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

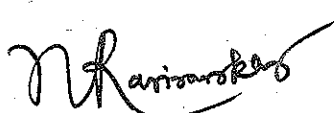
A provision is recognized when the Company has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. A disclosure for a contingent liability is made when there is a possible or present obligation that may, but probable will not require an outflow of resources. When there is a possible obligation in respect of which the likelihood of outflow of resources is remote, no provisions or disclosure is made.

For **CROCODILE PRODUCTS PVT. LTD.**

For **RAJAN SANKAR & CO.**  
Chartered Accountants

  
P. Sundararajan  
Managing Director  
DIN: 00003380

  
S. Latha  
Director  
DIN: 00003388

  
N. Ravisankar  
Partner  
MNO: 023548  
FRNo: 003430S

Place: COIMBATORE  
Date:

## CROCODILE PRODUCTS PRIVATE LIMITED

### **NOTE 21: Notes to Financial Statements for the year ended 31.03.2017**

#### **1. SHARE CAPITAL**

- a) The Company has one class of issued shares referred to as equity shares having a par value of Rs100/-.
- b) The Company has not issued any shares during the current year.
2. Due to accumulated losses upto 31.03.2017 amounting to Rs.124,797,165/-, the net worth of the Company has eroded. However, the financial statements have been prepared on the principles of going concern in view of the continuous financial support of the holding company.
3. Trade payables are dues in respect of goods purchased in the normal course of business.
4. In the opinion of the management, all Current Assets including stock in trade, sundry Debtors and Loans and Advances would, in the normal course of Business, realize the valued stated.

#### **5. Earnings Per Share (EPS)**

The numerator and denominator used to calculated Basic and Diluted Earnings per share:

Particulars	31/03/2017	31/03/2016
Profit/(loss) attributable to Equity Shareholder (A)	1,641,371	(8,462,903)
Number of equity shares outstanding (B)	380,000	380,000
EPS (A)/(B)	4.32	(22.27)

**8. Amounts due to small scale industrial undertakings/ suppliers under the MSME Act, 2006**

The Company has not received any memorandum (as required to be filed by the suppliers with the notified authority under Micro, Small and Medium Enterprises Development Act, 2006), claiming their status as Micro, Small and Medium Enterprises and consequently the amount paid/payable to these parties has been considered as NIL.

**9. Related Party Disclosure**

(As identified by management and relied upon by Auditors)

Disclosure of related party transaction as per AS-18 "Related Party Disclosures" of The Institute of Chartered Accountants Of India

A) Related Party Relationships

**Key Management personnel:**

Mr. P. Sundararajan

**Holding & Associate Company:**

S.P Apparels Ltd

Crocodile International Pte Ltd

S.P Lifestyles

Poornam Enterprises Pvt Ltd

**Relative of Key Managerial Personnel:**

Mr. P. Senthil

**B) Details of related party transactions during the year and balances outstanding as at 31 March, 2017:**

<b>Nature of Transactions / Balances outstanding</b>	<b>Key Managerial Personnel</b>	<b>Associate Company</b>	<b>Relative of Key Managerial Personnel</b>	<b>Total 31.03.2017</b>	<b>Total 31.03.2016</b>
Royalty received	-	16,308,824	-	16,308,824	7,196,634
Royalty paid	-	13,646,404	-	13,646,404	16,403,432
Sale of goods	-	-	-		182,901,953
Unsecured loans	30,042,530	-	-	30,042,530	30,042,530
Trade Payables	-	37,924,390	-	37,924,390	39,760,875
Other current liabilities	-	44,574,664	200,000	44,774,664	43,326,890

**10. FOREIGN EXCHANGE EARNINGS AND OUTGO**

<b>Particulars</b>	<b>31/03/2017</b>	<b>31/03/2016</b>
a. Earnings in foreign currency	NIL	NIL
b. Expenditure in foreign currency (Rs.)	13,646,404	16,403,432

11. Estimated amount of contracts remaining to be executed on Capital Account not provided for (net of advances) – NIL (Previous Year – NIL).
12. The details of the Specified Bank Notes held and transacted during the period from 8th November 2016 to 30th December 2016 is as provided in the table below.

<b>Particulars</b>	<b>SBNs</b>	<b>Other denomination Notes</b>	<b>Total</b>
Closing Cash in hand as on 8.11.2016	-	231	231
(+) Withdrawals	-	-	-




(+) Permitted receipts	-	-	-
(-) Permitted Payments	-	-	-
(-) Amount deposited in banks	-	-	-
Closing cash in hand as on 30.12.2016	-	231	231

## 12. PREVIOUS YEAR FIGURES

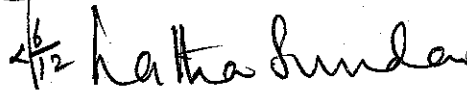
Previous year figures have been regrouped and reclassified to conform to the current year requirement rounded off to the nearest rupee.

For **CROCODILE PRODUCTS PVT. LTD.**

For **RAJAN SANKAR & CO.**  
Chartered Accountants



P.Sundararajan  
Managing Director  
DIN: 00003380



S.Latha  
Director  
DIN: 00003388



N.Ravisankar  
Partner  
MNO:023548  
FRNo: 003430S

Place: COIMBATORE  
Date: MAY 24, 2017

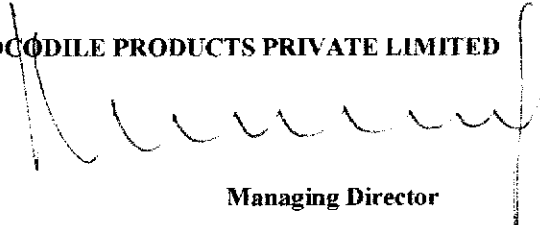
**CROCODILE PRODUCTS PRIVATE LIMITED**

Registered Office: 39A, Extension Street, Kaikattipudur, Avinashi-641654  
(CIN: U18101TZ1998PTC008439) Ph: 04296- 714000

**LIST OF EQUITY SHAREHOLDERS (As on 31.03.2017)**

No.	Name, address and occupation of the shareholders	No. of equity shares of Rs. 100/- each paid up
1	M/s. S.P.Apparels Limited (CIN : L18101TZ2005PLC012292) Regd. Office : 39-A, Extension Street, Kaikattipudur, Avinashi-641654 Tirupur Dt., Tamilnadu  - Body Corporate -	2,66,000
2	M/s. Crocodile International Pte Ltd Crocodile House # 07-003, UBI Avenue 3, Singapore 1440  - Foreign Body Corporate -	1,14,000
<b>Total</b>		<b>3,80,000</b>

**FOR CROCODILE PRODUCTS PRIVATE LIMITED**

  
**Managing Director**